

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

ESTABLISHED 1887

The Global Newspaper
Edited and Published
in Paris

No. 32,504 35/87

PARIS, WEDNESDAY, AUGUST 26, 1987

Faith and Zealotry Still Drive Tehran

Revolution's Momentum Is Unabated

By Edward Cody
Washington Post Service

TEHRAN — Crowded into a suffocatingly hot little room with smeared blood on the tiled walls, men and boys chanted Islamic prayers in a rhythmic crescendo around the youthful corpse lying in their midst.

"There is only one God," they

intoned, beating their chests with the flat of their hands. "You will now go to heaven. For every one who falls, 10 more martyrs will rise up to go to the war."

The fervor of the ceremony as family and friends came to bury another war casualty in Tehran's Beheshti Zahra Cemetery was a strong reminder of the force and depth of Iran's Islamic revolution.

Since chasing the shah from his Peacock Throne in 1979, the power of this upheaval has transformed Iran from a compliant ally and well-behaved customer into an unpredictable threat.

The revolution has hardened forward — some Iranians say backward — so fast in the last eight years that its momentum is clearly visible to a short-term visitor.

The atmosphere it has created goes a long way toward explaining Iran's determination to pursue the war with Iraq, its zeal for exporting Shiite Moslem power and its prickly resentment of U.S. and other Western attempts to exercise influence in the Gulf region.

What has happened in Iran seems to strike with such force partly because it rises from and plays on four powerful factors:

- Religious revival, which has fired a particular following among the Iranian people whose Shiite strain of Islam traditionally had been disparaged by fellow Moslems and Westerners, while even in largely Shiite Iran its values had been ignored.

- Nationalism, a strong reactionary force in a country where foreign, particularly U.S., influence long was dominant and the Western-oriented "king of kings" was put on his throne in 1953 by a Central Intelligence Agency coup against a nationalistic prime minister, Mohammed Mossadegh, to safeguard Western oil and strategic interests.

- Ethnic pride — played out in aspirations for a renaissance of Persian influence in the Middle East, including in Arab nations — that had been overshadowed for centuries but never abandoned by the heirs to the Persian Empire.

- The Arab-Ba'athist Socialist Revolutionary government, led by President Saddam Hussein, has clearly re-

See IRAN, Page 6

Mecca Riot Breeds a Propaganda War

By John Kifer
New York Times Service

MANAMA, Bahrain — A fierce war of words, a religious struggle for the soul of Islam, is raging between Iran and Saudi Arabia over the violence at the annual pilgrimage to Mecca.

Every night, along the western shore of the Gulf, the population — a mixture of the two main branches

of Islam, Sunni and Shiite — is bombarded by rival television and radio broadcasts from Tehran and Riyadh.

Each gives its government's version of the events in which more than 400 Moslems, most of them Iranian Shiite pilgrims, died. The broadcasts also include insults, couched in religious terms, that amount to calls to holy war, and the propaganda battle is repeated throughout the Moslem world.

"Khomeini is Satan," proclaims the television of Saudi-ruled Saudi Arabia, while Shiite Iran likens the Saudi king to the Westernizing ruler toppled by the Islamic revolution in Iran. "The new Shah Fahd, the corrupting agent," Tehran calls the Saudi ruler.

Scores of reporters were invited to Jeddah on Tuesday to hear Saudi Arabia's version of what happened at Mecca. The Iranian authorities were denounced by the Saudi interior minister for plotting to discredit Saudi stewardship of the holy sites of Islam.

Iran and Saudi Arabia have repeatedly broadcast their own videotapes of the carnage during Friday prayers in Mecca on July 31, in which the Iranian pilgrims brandished portraits of their leader, Ayatollah Ruhollah Khomeini, chanted "Death to the United States, death to the Soviet Union, death to Israel," and clashed with Saudi security forces.

Both versions show the demonstration gathering. But the Saudi version, which was quickly released to other Arab countries after the violence, portrays the Iranians pe-

See MECCA, Page 6

Heavy Rains Put Damper On Europe

Compiled by Our Staff From Dispatches

PARIS — What was left of a miserable summer was washed away Tuesday in some of the wettest weather on record for this time of the year in Western Europe.

Freak storms resulting from the collision of Arctic and African air masses caused landslides, flooding, and deaths in northern Italy, Switzerland, France, Austria and Belgium. Most of Western Europe shivered under unseasonably low temperatures and gray skies. At least nine deaths were attributable to the weather, and four persons were missing.

Paris was soaked by the rainiest 24-hour period in a century. In parts of northern Italy, it was the wettest day recorded since 1805.

In northern Italy and Switzerland, storms flooded villages, cut railroads and highways, closed airports and forced the evacuation of about 17,000 people from an Italian valley.

Wind-blown sheets of rain dumped 3.78 inches (97 millimeters) of water on the Paris See WET, Page 2



Much of the town of Flüelen, Switzerland, including its train station, was flooded Tuesday following torrential rains.

Strikes and Rebel Attacks Threaten Aquino Authority

By Patrick L. Smith
International Herald Tribune

MANILA — Growing labor unrest coupled with a marked increase in guerrilla attacks in Manila and other Philippine cities are signs that the government is losing control of both the insurgency and the social agenda in urban areas, according to analysts and diplomatic sources.

In effect, they say, some of the labor unrest is another dimension of an urbanization of the anti-government insurgency, which includes an increase in rebel attacks in cities over the past several weeks.

Local business analysts say the labor situation is already seriously hampering the nation's economic recovery and its ability to attract much-needed foreign investment. Recent waves of strikes and illegal work stoppages in Manila and other industrial cities, many analysts believe, are being led by the New People's Army, the military wing of the Communist Party of the Philippines.

The analysts note close contacts between the leftist National Democratic Front, an opposition coalition, and militant labor organizations such as the Kibang Mayo Uno, or May First Movement.

Although it is active chiefly in industrial disputes, the movement has organized a series of demonstrations in Manila and other cities since the government announced increases in fuel prices averaging 18 percent on Aug. 14.

On Tuesday, apparently intent on limiting the economic and political damage, Mrs. Aquino announced a partial rollback of the fuel price increases to about 9 percent.

It was the first time, analysts said, that Mrs. Aquino had faced a threat of widespread civil disobedience against her policies, and the

first time she had backed down on a major decision.

[Reaction to the rollback was mixed among unions, which had called for a one-day strike Wednesday to demand that the government rescind the increases. The Associated Press reported from Manila.

[The Petroleum Dealers Association called off its work stoppage. However, the May First Movement rejected the move as inadequate and vowed to go ahead with Wednesday's strike. Senator Ernesto F. Herrera, leader of the country's largest labor federation, the moderate Trade Union Con-

gress of the Philippines, said that his organization has decided against joining the general strike.]

The armed forces went on alert in anticipation of possible violence in Wednesday's strike. Troops will be deployed to protect workers refusing to join the strike, officials said.

The decision to increase fuel prices has created the broadest public protest of Mrs. Aquino's 18-month rule.

Mrs. Aquino attributed her decision to roll back prices to "recent developments abroad," an apparent reference to the decline in the spot prices for crude oil.

The fuel price increases were followed by an announcement of a 13 percent price rise by the National Power Corp., the state-owned electricity company.

Mrs. Aquino has been sharply criticized for allowing fuel and power prices to escalate without approving corresponding rises in minimum wage levels.

On Monday, the May First Movement staged strikes in several cities, including Davao and Cebu, as a prelude to its nationwide action. It is the most ambitious job action attempted by the movement, according to local political analysts.

The organization claims to have about 750,000 members, but independent analysts put its membership at closer to 150,000.

As was widely anticipated under years of political repression under the former president, Ferdinand E. Marcos, the collapse of his government led to a record number of strikes last year. About 320 strikes have been declared so far this year, a drop of 25 percent from the same period in 1986.

Unemployment in the Philippines is now estimated at 15 percent of a work force of 22.8 million. An additional third of the workers are underemployed, which the government defines as having less than one day's work per week.

The nation's trade unions control about 15 percent of the work force. Both labor and management complain of the government's continuing inability to enforce laws governing strikes, wages and working conditions.

"What we're concerned about is not the number of strikes and stoppages, but the character of them,"

See MANILA, Page 6



Protesters in Manila demonstrating against government-imposed increases in fuel prices.

'Progress' Is Made in S. Africa

Union Will Vote Today on Offer To End Strike

Compiled by Our Staff From Dispatches

JOHANNESBURG — Management and labor failed Tuesday to reach a settlement ending a 16-day strike by about 330,000 black miners, but the mine workers' leader, Cyril Ramaphosa, said that "progress has been made" and scheduled a vote on a management proposal.

The National Union of Mineworkers said that members will vote Wednesday on a proposal that offers slight improvements in benefits but no wage increase.

If the miners accept the offer, it will end the strike, which began

South Africa's mineworkers strike goes to the heart of the state's power — gold. Page 9.

Aug. 9, said Cyril Ramaphosa, the union's general secretary.

"But if our members reject the offer, the strike continues," Mr. Ramaphosa said at a news conference Tuesday night. He said the union leadership would not recommend either approval or rejection.

Johann Liebenberg, leader of the mine owners' negotiating team, said earlier after almost four hours of talks that "we were not prepared to increase fringe benefits."

He said the Chamber of Mines, which represents six large mine owners in the negotiations, had conceded additional vacation allowances and higher danger pay and had given the union until 9 P.M. Wednesday to respond to the offer.

"We have not given them everything they asked for, but that is the bargaining process," he said.

Mr. Ramaphosa said, "We think progress has been made."

Asked if he was happy with the overall offer, Mr. Ramaphosa said: "The union negotiating team is clearly not happy that the issue of wages was not discussed."

He also commented that "you can never say that the Chamber of Mines is a friendly bunch of people."

The talks on pay and benefits were the first since the strike began Aug. 9.

The chamber's offer would increase by 10 percent the pay miners receive when they are on their annual vacation, but they would not get any additional vacation days, the union said. Miners receive only a portion of their regular pay when they are on vacation.

A second chamber offer would raise death benefits from two times a miner's annual salary to four times that amount.

The union has sought to have death benefits increased to five times a miner's annual pay and to have the annual vacation increased to 30 days from the current average of 14 to 21 days.

The chamber made no new offers Tuesday to the union's other demands, which include a 30-percent pay raise and recognition of the anniversary of the Soweto riots of 1976, June 16, as a paid holiday.

Mr. Liebenberg said that the union had dropped its demand for a 30-percent wage increase.

"They moved off the 30 percent altogether," he said.

He said the employers had rejected a union appeal to convert available fringe benefit improvements into a wage increase.

The negotiations followed a concession Monday by the dominant Anglo American Corp., which agreed to put wages on the agenda for the talks with other issues, including pensions and danger pay.

A spokesman for Anglo American said that strikers began streaming back to work Tuesday at a number of its gold and coal mines.

But a union spokesman, Kuben Pillay, said the return involved "only a few hundred men."

(UPI, AP)

Kiosk Soviet Proposes Arms-Aid Talks

UNITED NATIONS, New York (AP) — The Soviet leader, Mikhail S. Gorbachev, proposed Tuesday that leaders of the 15 nations on the United Nations Security Council hold a special meeting to discuss how money saved from disarmament could be spent on economic development.

Mr. Gorbachev made the suggestion in a message read here by a Soviet deputy foreign minister, Vladimir F. Petrovsky, to the 140-nation International Conference on the Relationship between Disarmament and Development.



President Augusto Pinochet, whose determination to retain power in Chile has raised doubts about the effectiveness of U.S. policy. Page 3.

GENERAL NEWS
■ Sergeant Clayton J. Lonetree got only a 30-year sentence for spying because "the case is so bad," his lawyer said. Page 3.

Down close: UP 2536
The dollar in New York:
DM £ Yen FF
1.83 1.617 143.50 6.1155

Despite Recovery, New York Is 'Very Seriously Ill Place'

By Margot Hombrower
Washington Post Service

NEW YORK — Twelve years after the nation's largest city nearly went broke, New York stands undisputed as the world's financial capital.

Its coffers, then \$1.8 billion in the red, overflow with a \$660 million budget surplus, unemployment is at a 14-year low, and ever-taller, ever-flashier skyscrapers crowd Manhattan Island.

So why was Mayor Edward I. Koch posing in newspaper ads a few weeks ago hammering plywood to shut off the entrance of the Holland Tunnel to New Jersey?

His stunt was the latest salvo in a fight to curtail corporate desertions.

Mobil Corp. is moving to Westchester County, Co. to Texas and TWA to Westchester County, in the suburbs. NBC is talking of joining the Payne Webber Group brokerage house, the accounting giant Peat Marwick Mitchell & Co.,

Exxon Corp. and dozens of others that are moving thousands of jobs to New Jersey.

"New York City has been reborn in the last decade," Mayor Koch says. But he warns that "these move-outs are a reminder that we cannot take our healthy economy for granted."

New York, New York In the Shadow of the Boom

First of three articles

In fact, pessimism about the city's future is widespread.

An 18-month wave of corruption scandals has handicapped its leadership. A housing crisis is flooding the streets with homeless beggars and threatens to leave the city short by 350,000 units in the next decade — even as the city flaunts its wealth, from the gaudy penthouses of the new

rich to the recent New York Times headline "Feeling Poor on \$600,000 a Year."

The stake is not just quality of life but the soul of a city that has prided itself on being the richest, most restless, energetic, powerful and egomaniacal metropolis in the world.

This series examines New York 12 years after it first teetered on the edge of bankruptcy, prompting the famous New York Daily News headline "Ford to City: Drop Dead."

With characteristic contrariness the city flourished, and nowhere more ostentatiously than in Manhattan. But the recovery bypassed the city's poorest areas, and nowhere more starkly than the South Bronx, perhaps the nation's most famous slum.

The uneven boom was driven by an administration whose chief mission was to balance the books.

"When I came into office 10 years ago, people said the city was going to go bankrupt in 60 days," Mr. Koch said in a recent interview. "I felt

I had to put together all these groups that were needed to win the battle to save the city of New York — the labor unions, the banks, the government people, public officials, politicians."

Now, many of those officials are under indictment or investigation for the way they used their influence. Mr. Koch says corruption is individual, not systemic, but U.S. Attorney Rudolph W. Giuliani says the city tolerates enough of it to raise the cost of living and working in the city.

"New York is a very seriously ill place," said Alex Garvin, a former city planning director, who teaches urban studies at Yale University. "For two centuries we have been the place people come to when they want to be the best, whether they are actors, musicians, lawyers, advertising executives. But I don't think we perform that function now because nobody can afford to come here anymore."

Mr. Koch's Commission on the Year 2000 reported recently that New York was still "the See NEW YORK, Page 2

N.Y. Bicyclists in Uproar

United Press International

NEW YORK — Bicyclists protested as police handed out warning citations on the first day of an experimental ban against bike riding on three major Manhattan avenues.

Four dozen police officers were dispatched to enforce the 90-day ban, which began Monday and is aimed in particular at private bicycle messengers.

The measure is aimed at protecting New York pedestrians, who die at an average rate of two per year in collisions with bicycles. The ban outlaws cyclists on Fifth, Madison and Park avenues, on weekdays from 10 A.M. to 4 P.M.

Bicyclists planned to walk their vehicles en masse Wednesday down the sidewalks of Fifth Avenue, a protest they say complies with the ban. Bicycle riders have held slow-moving protests to snarl traffic several times since the ban was announced last month. The messengers are especially unhappy about the ban.

One of them, Steve Athineos, a leader of the protests, handcuffed himself to a lamppost outside City Hall and was arrested.

Problems Beset Air Control System In U.K. as Tourist Season Nears Peak

By Howell Raines
New York Times Service

LONDON — As the summer tourist season nears its peak here, Britain's air traffic control system has been hit with computer failures, serious morale problems and a dispute over evidence that many near-collisions are going unreported.

The Civil Aviation Authority has hired outside consultants to investigate a series of nine breakdowns in the new computer system that monitors all trans-Atlantic flights between the United States and Britain.

The \$10.8 million computer, located at Prestwick, Scotland, malfunctioned on Sunday and again on Monday, causing delays of up to two hours in flights bound for the United States from London's two major airports, Heathrow and Gatwick.

The computer, made by Digital Equipment Corp., a U.S. company, automatically tracks 500 airplanes daily as they fly the Atlantic and has a "conflict alert" system to warn of potential collisions. A spokesman for Digital Equipment said the problems were caused by the software program provided by a British company, rather than by the computer.

Officials of the Civil Aviation Authority and the Guild of Air Traffic Controllers say that the nine computer failures since March 31 have posed no immediate safety threat for passengers, since the North Atlantic air lanes are not crowded.

But Christopher Tugendhat, chairman of the aviation agency, and Steve Hall, spokesman of the air traffic controllers' guild, are in conflict about how much traffic the Oceanic Air Control Center at Prestwick should handle while the computer malfunction is being investigated.

Mr. Hall wants the aviation agency to institute "flow control," or reduced traffic, throughout the study period, so that fewer planes will be in the air if the computer goes down again and controllers at Prestwick are forced to revert to old-fashioned

manual tracking using cardboard progress strips on a map.

"There's been only one total outage," Mr. Hall said, "but there have been times when the information from the computer has been so corrupt that you can't use it. In our business, we don't take chances."

Mr. Tugendhat said in an interview on Tuesday that permanent reduction in intercontinental flights is not warranted by the sporadic computer problem.

"If a computer goes down, you have flow control of a rather stringent sort introduced as a consequence of that," he said. "Our belief is that you should have this system at the ready, not that you have it in permanent operation." He noted that the problem of potential collisions is less pressing in Britain than in the United States.

"In the States, the peak times problem is far worse than it is here," Mr. Tugendhat said.

Nonetheless, a recent study by the Royal Air Force Institute of Aviation Medicine has increased worry about collisions and near-collisions of the sort that have dogged U.S. aviation recently. By inviting controllers to file confidential reports, the institute turned up 13 unreported near-collisions, 11 of which were serious enough to have warranted official investigations.

The Civil Aviation Authority is upset by the "hair-raising anonymous reports" and the institute's refusal to provide further details from its confidential records, said Anne Noonan, a press officer at the aviation agency.

This dispute between the agencies is unusual in a nation that thinks of itself as running an aviation system much safer and smoother than that of the United States.

Heathrow, the world's busiest international airport, handles 26.4 million international passengers a year. London's smaller airport, Gatwick, handles 15.8 million such passengers yearly and recently replaced Kennedy International Airport in New York as the world's second busiest international airport.

Seoul Arrests 6 Activists As Dissidents Urge Strikes

By Susan Chira
New York Times Service

SEOUL — In a move that could worsen political tensions here, the government arrested six student activists Tuesday, including one of the best-known student leaders.

The arrests were the most politically significant since the government announced sweeping democratic reforms on June 29. Coming just a few days before students are to return to campus from their summer vacation, the arrests seemed likely to touch off sharp student protests.

The police arrested Woo Sang Ho, 24, the chairman of the student council of Yonsei University, on charges of violating South Korea's law on assembly and demonstrations. But police sources said that he would also be charged with the serious crime of slandering the state for making "undesirable statements," including one to The New York Times in which Mr. Woo compared South Korea's government to Nazism.

Five other students were also arrested and charged with instigating labor unrest at an electronics plant owned by Lucky-Goldstar Group in the city of P'yongtaek, 60 miles (100 kilometers) south of Seoul.

The arrests were made as tension mounted over the death of a young shipyard worker in a clash with riot police. With labor unrest sweeping the country, student leaders have said they would take up the workers' cause when they return to school. Such links between student and worker protests deeply alarm the government.

The government has also acted as opposition groups were moving to politicize the death of the shipyard worker, Lee Suk Kye, who was killed on Saturday when splinters of a tear gas grenade pierced his chest. The National Coalition for a Democratic Constitution has called for a general strike and nationwide rallies on the day of Mr. Lee's funeral.

Union leaders at Daewoo Shipbuilding & Heavy Machinery Co. in the southern island of Jeju spoke of giving Mr. Lee a funeral worthy of a martyr, while family members pleaded in vain to be allowed to take his body to their home town in northern Cholla province for burial. The disagreement has delayed Mr. Lee's funeral.

Since Mr. Lee's death and the efforts by opposition groups to



A student in Seoul equipped himself with unexploded tear gas bombs around his belt during demonstrations Tuesday.

capitalize on it, rumors that the military would intervene have intensified. Roh Tae Woo, the president of the ruling Democratic Justice Party and the man who proposed the democratic changes after widespread protests in June, denied the rumors in a speech to party members that was reported in Tuesday's newspapers.

"There is no denying that some people are worried that renewed campus disturbances by radical leftist activists, coupled with the ongoing labor disputes, might bring about a chaotic situation, irreparably damaging the political schedule," Mr. Roh was quoted as saying. "Nowadays, even some ranking officials in the government and the party are said to be skeptical about the prospects of the projected elections being held."

Mr. Roh denied, however, that the military would step in so easily. "Should extreme disturbances be triggered and every one of the citizens want it, then the mobilization of the military might be considered," he was reported as having told a meeting of party executives. There have been signals that

WORLD BRIEFS

Nicaragua to Permit Priests to Return

MANAGUA (AP) — President Daniel Ortega said Tuesday that three Roman Catholic leaders forced into exile by the government more than a year ago would be allowed to return to the country. The announcement followed the signing Aug. 7 in Guatemala City of a Central American peace accord, under which Managua agreed to institute a cease-fire in the war against the U.S.-supported rebels, known as contras, and implement democratic reforms. The Sandinistas often have been at odds with the hierarchy of the church, which advocates greater democratic freedoms.

The clergymen covered by the announcement were Monsignor Pablo Antonio Vega, the vice president of the Episcopal Conference; Rismar Carballo, the archdiocese spokesman; and another church official whose name was not available. The three were accused of supporting the contras and prohibited from returning to Nicaragua after making visits abroad in 1986. (Earlier article, Page 4)

Bush to Visit Poland in September

WARSAW (AP) — Vice President George Bush will travel to Poland in late September, a government spokesman said Tuesday. It will be the highest-level visit by a U.S. official since Poland declared martial law in late 1981.

The government spokesman, Jerzy Urban, said that Mr. Bush would arrive in the last third of September but that he could not provide exact dates. He said Mr. Bush would probably travel outside Warsaw. There have been reports that he wants to meet Lech Walesa, leader of the outlawed independent trade union Solidarity, who lives in Gdansk.

Hart Wants to Confer With Family

NEW YORK (UPI) — Gary Hart returned Tuesday from a three-week vacation in Ireland promising he would have more to say about reopening his presidential campaign after he talked with his family. "After I get a chance to get together with my family and find out more about the events that have transpired in the last few days, I'll have something to say," he said.

Mr. Hart's former campaign manager, William Dixon, suggested last week that Mr. Hart, 50, was likely to restart his campaign, which he quit after a scandal stemming from suggestions that he had been sexually involved with a 29-year-old model.

Soviet to Set Afghan Pullout Deadline

MOSCOW (AP) — A Soviet deputy foreign minister said Tuesday that a deadline for withdrawal of all Soviet troops from Afghanistan would be determined during the next round of talks in Geneva aimed at negotiating an end to the war.

Igor A. Rogachev made the statement during a Foreign Ministry briefing on international affairs. Mr. Rogachev, an expert on Soviet relations with Asian countries, said the Russian presence in Afghanistan has become less of an obstacle to improved relations with China because of last year's withdrawal of 8,000 Soviet soldiers and the Kremlin's intention "to withdraw completely its troops from there shortly."

No date has been announced for the next round of the United Nations-sponsored talks, but they are expected to take place before the end of the year. Soviet officials have repeatedly asserted that Moscow wants to end its involvement in the Afghan civil war. But they have previously tied the schedule for withdrawal to cessation of assistance by Pakistan and the United States to anti-government rebels.

Bonn Is Urged to Free TWA Suspect

BEIRUT (AP) — Kidnappers holding two West Germans released a four-minute videotape Tuesday that showed one hostage, Alfred Schmidt, pleading with the Bonn government to free a suspected Lebanese hijacker in return for the pair's freedom.

"We ask the government of Germany to seriously consider the release of Mohammed Ali Hamadeh so our release may be possible," Mr. Schmidt, a 47-year-old engineer, said in the tape delivered to a Western news agency in Beirut.

Mr. Hamadeh is to be tried by the West German government on charges including air piracy and murder. Bonn turned down in June a request by the United States to extradite Mr. Hamadeh in connection with the 1985 hijacking of a TWA jetliner to Beirut. Bonn officials said Tuesday the trial will be held as planned, despite Mr. Schmidt's plea.

For the Record

A Libyan Mirage was shot down during a Libyan bomb attack on the northern Chad towns of Aouzou and Onizanga Kebir, Chadian radio said Tuesday. The radio said "several civilians" were killed in the raid but gave no further details. (AP)

TRAVEL UPDATE

Canadian Rail Strike Enters 2d Day

TORONTO (AP) — The government threatened to intervene and its top mediator brought Canada's striking railroad unions and management together on Tuesday, the second day of a national strike by 48,000 rail workers that stopped freight traffic and created commuter chaos.

The national passenger service, Via Rail, was not a strike target, but all trains were canceled and 4,000 employees were laid off because Via Rail relies on the crews and track of Canadian National and CP Rail, whose employees were on strike. However, delayed passengers were offered air or bus service at no extra cost.

Union officials said negotiators were given two days to resolve the first rail strike in 14 years, after which legislation would be introduced. The strike, which began Monday, was called in a dispute over job security. The government estimated that the strike had stopped 30 percent of Canada's freight shipments, and was costing the railroads about 20 million Canadian dollars (\$15 million) a day.

Yugoslav health authorities are warning travelers to Romania to watch for symptoms of cholera because of reports of the disease there, the Belgrade daily Politika said Tuesday. Officials in Bucharest and at the Romanian Embassy in Vienna said the reports were false. (AP)

Miami, Striking Back, Finds Big Apple Rotten

MIAMI — The Miami Herald pokes fun at the Big Apple's rotten spots in a satirical reply to a recent cover story in The New York Times Magazine on Miami's problems.

The Aug. 30 cover of The Herald's magazine, Tropic, mimicking the typeface used by the Times, has an obviously retouched picture that places the infamous Islip garbage barge in the shadow of the Manhattan skyline.

"Can New York Save Itself?" the magazine asks in its article, subtitled "A City Beset by Garbage and Yuppies."

The Times Magazine's July 19 article asked "Can Miami Save Itself?" with the subtitle "A City Beset by Drugs and Violence."

The Herald's cover story, by Dave Barry, begins by saying, "The bad news is: They haven't collected the garbage since 1967, and lunch costs as much as a Lamborghini. The good news is: You're allowed to shoot muggers on the subway. An unbiased and objective appraisal."

Mr. Barry writes that New York's major industry is "people from New Jersey paying \$45 to see 'A Chorus Line.'"

Illustrating the article is a staged photograph showing a man in a business suit riding the subway with a handgun in his right hand and a submachine gun in his left hand.

"Smart New York subway riders carry two guns, in case one is stolen," reads the caption.

After publishing its article on Miami, The Times acknowledged that a picture of a drug arrest on the cover was several years old and that another photograph had been staged for an advertisement.

In both cases the pictures were provided by a French photo agency that had not detailed the background of the photos for the Times.

In a reference to that controversy, the table of contents for Tropic notes, "Cover photo faked by Chuck Faddy."

WET: Record Rains Keep Damper on Europe's Summer

(Continued from Page 1)

region in 24 hours ending Tuesday morning. Meteorologists said it was the most rainfall since records started being kept at the Montsouris weather station in Paris 100 years ago.

Firemen received 2,000 calls to help pump out flooded basements. Rain continued to fall intermittently Tuesday, and the temperature fell to 57 degrees Fahrenheit (14 degrees centigrade).

Near Toulouse, in southwestern France, storms destroyed vineyards where Blanquette, a sparkling wine, is produced and caused serious crop damage over a wide area. In the French Alps, 100 campers were evacuated because of a risk of mud slides.

Flooding engulfed Charleroi in Belgium, killing three elderly people. They drowned in their homes. The Brenz weather station in Milan said up to 7.9 inches of rain fell in some parts of northern Italy over

a 24-hour period. The previous high was 6.09 inches in 1905. Authorities evacuated about 17,000 people from villages and towns in the Valtellina Valley northeast of Milan, fearing a repetition of the mud slides that killed more than 30 people in the valley in July and earlier this month.

Rocks that rolled down the valley in July blocked the Adda River and created a lake 43 feet (13 meters) deep, which officials feared might overflow during the torrential rains.

Although the rain slackened Tuesday, most of those evacuated continued to receive shelter in emergency centers while officials monitored the slowly rising level of the lake.

Throughout the Italian and Swiss Alps, the storms caused fatalities and destruction.

In Switzerland, a man was swept to his death in his car, a relief worker drowned in the Rhone Riv-

er, and the body of another victim was found in a reservoir.

On the Italian side, a woman was drowned and an elderly couple killed when a mudslide hit their home near Brescia.

Floods and landslides cut north-south rail and road links in Switzerland. The St. Gotthard pass was closed and traffic was reduced to a single lane over the Simplon pass.

Some parts of southern Europe, in contrast, thirsted for rain. Near Palermo in Sicily, where the temperature stood at 100 degrees Fahrenheit (38 C), firemen and volunteers fought to control a blaze in tinder-dry woodlands.

In the United States, below-normal temperatures were reported across the northern half of the country, with record lows in some areas. Heavy rain fell over parts of Nebraska and Iowa, flooding highways. Staplehurst, Nebraska, got 5.5 inches of rain. (AP, AFP)

NEW YORK: Despite Rosy Economy, Pessimism About the Future Is Rife

(Continued from Page 1)

country's center of creativity in such fields as communication and the arts.

But the commission warned that New York's "role as incubator, creator and stimulator is being challenged by other cities in this country and abroad." It noted that the city has grown "too fast, too large and too dense." The price is "a harsh and uncivil environment," and the city "may be permitting that environment to worsen."

Some also fear that the city relies too heavily on financial-service companies — banking, insurance, law, accounting and securities firms — and could be vulnerable to an economic downturn as Houston was to the oil glut.

"The loss of diversity spells vulnerability," said Samuel Ehrenhalt, regional chief of the U.S. Bureau of Labor Statistics. "New York City lost one out of four manufacturing jobs — three times the national rate — during the 1980s. It has based its growth on putting more and more eggs in fewer baskets."

"We're going to face a recession," said Felix G. Rohatyn, an investment banker and chairman of the state's Municipal Assistance

Corp., which oversaw the fiscal comeback. "It should have been here by now. When it happens, there will be a weak stock market, and the ripple effect in New York will be felt from the investment banks that have been living very high, to the real estate market, to the high-fashion boutiques."

Impelled or not, the boom has been spectacular. Following global economic forces, foreign banks and investors crowded into Manhattan, shifting business from London and elsewhere. New York banks now process \$1.5 trillion in payments each day, equal to a third of the U.S. annual gross national product.

To house them, high-rise towers have been built in Manhattan in the last seven years. Dozens of new residential high-rises offer one-bedroom apartments for \$2,000 a month. A ripple effect in the boroughs has raised the value of a modest row house in Queens from \$35,000 to more than \$200,000 in 10 years.

From the 19th floor of a 42d Street skyscraper, Jerry W. Kolb, vice chairman of Deloitte, Haskins & Sells, the nation's sixth largest accounting firm, would seem to be sitting atop the boom.

But he and his 70 partners are moving the headquarters of the 26,000-employee firm, based in New York since 1895, to Connecticut or Westchester County. Only one partner lives in New York City.

"The high cost of housing drives people further and further out of the city," said Mr. Kolb, who lives in Greenwich, Connecticut. "The increasingly long commute makes it difficult for people to be productive and creative. New York is the only major city with a 35-hour standard work week. After 37-and-a-half or 40 hours."

Other aggravations mount. "You walk out of Grand Central station," he said. "On the south side of the street, you thread your way through garbage pickers. On the north side, you deal with the panhandlers. If there's water on the street, the cabs will offer their best to spray it on your carefully pressed suit. You don't have to be a creative genius to ask the question, 'Why are we here?'"

But Mayor Koch says corporations are moving to "save money," since many can rent or sell their headquarters in the city for huge sums. He urges them to sit tight, saying that high taxes and energy costs will be reduced considerably in the next five years.

But housing remains a critical factor. On Broadway and 86th Street one summer day, a mimeographed sheet taped to a lamppost read: "\$3,000 reward for anyone with information leading to signed lease on two-bedroom apartment. Responsible working couple willing to pay up to \$1,000 rent per month."

The average price of a one-bedroom Manhattan coop apartment is \$242,760. A Brooklyn "car condominium" sells parking spaces for \$34,000 each plus a \$147-per-month fee for maintenance and property tax.

Amid such feverish speculation, landlords have pushed out thousands of low-income tenants as they subdivide buildings for luxury housing. In June, two men were convicted of hiring thugs to terrorize three West 77th Street buildings with break-ins, floods, fires, drug dealing, assaults and a cutoff of heat, water and electricity.

In the process, traditional neighborhoods are being uprooted. In the theater district, a major tourist draw, 23 office towers are being built or planned while two historic

Salvagers Seek An Astor's Car Aboard Titanic

The Associated Press

PARIS — The organizers of the Titanic salvage operation said Tuesday that they would begin searching for a 1912 Renault that belonged to the American financier John Jacob Astor, heir to the Astor fortune.

Daniel Puget, a spokesman for the expedition, said the second phase of the salvage project would begin this week south-west of Newfoundland, weather conditions permitting.

Mr. Astor was one of 1,513 passengers who died when the liner struck an iceberg and sank April 15, 1912. His car was one of 25 vehicles listed on the Titanic cargo manifest.

At a news conference in New York the team compared the salvage operation to that of the space shuttle Challenger, which exploded shortly after launch Jan. 28, 1986, and sank into the Atlantic Ocean, killing seven astronauts.

"No one would consider leaving the Challenger as a memorial," said George Tulloch, an American organizer.

UNIVERSITY DEGREE

For Life, Academic & Work Experience

Degrees for people who want to be more effective and secure in their Jobs or Professions.

Earn a BACHELOR'S, MASTER'S or DOCTORATE Degree by utilizing your life and work experience. College equivalent credits are given for your job, military, company training, vocational courses, seminars on business experience. We accept college credits on matters which relate to your education.

Our graduates are recognized for their achievements in business and industry. We will award you a complete degree requirements without formal classes or seminars of your own pace and time.

Send detailed resume on work life and academic experience for a no cost evaluation.

Pacific Western University

400 N. San Mateo Blvd., Los Angeles, California 90009 • Dept. 22 • U.S.A.

Save 40%

or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune.

Take advantage of our special rate for new subscribers and we'll give you one extra month of Tribs free for each six months you subscribe. Total savings: 40% or more off the newsstand price in most European countries.

Herald Tribune

To: Subscription Manager, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

Please enter my subscription for:

- ☐ 12 months (+ 2 months free)
- ☐ 6 months (+ 1 month free)
- ☐ 3 months (+ 2 weeks free)
- ☐ My check is enclosed.

Please charge my:

- ☐ Access ☐ American Express
- ☐ Diners Club ☐ Eurocard
- ☐ Mastercard ☐ Visa

OE

Signature _____

Card expiry date _____

Card account number _____

Name _____

Address _____

City _____ Country _____

26-8-87

Tel. _____

*In these countries, home delivery is available in major cities on the publication date. For details and rates, please check here and fill in your address. ☐

هكسان الأهرل

Sandinists Jam Contra Radio As It Transmits Reagan Speech

Compiled by Our Staff From Dispatches

SANTA BARBARA, California — President Ronald Reagan has broadcast a message on Radio Liberation, the clandestine station of the Nicaraguan rebels, in an attempt to reassure the rebels and their followers of his continued support.

The three-minute speech Monday night, broadcast in English and followed by a Spanish translation, was heard in much of Nicaragua and Central America but was electronically jammed by the leftist government in Managua, the Nicaraguan capital.

Mr. Reagan's message, taped at his ranch near Santa Barbara, California, on Saturday, was part of his effort to demonstrate to U.S. conservatives and rebel leaders the limits of his support for the preliminary peace accord signed Aug. 7 by Nicaragua and its four Central American neighbors.

Mr. Reagan said in the broadcast that the United States would keep

backing the Nicaraguan rebels, known as contras, until the Sandinist government lived up to its promises under the peace plan.

"Your struggle has and always will have our support because our goal is the same," he said. "Until the people of Nicaragua are guaranteed basic liberties, I know you will keep on with the struggle. And the United States will be with you. The journey's end is Nicaragua libre."

The peace accord sets a 90-day timetable for cease-fires in the region's guerrilla wars, including the contras' struggle against the Sandinists. At the time of the cease-fires, it requires a cutoff of outside aid to insurgent forces, freedom of the press and of assembly and religion, and steps to guarantee democratic elections in each country.

The Reagan administration is skeptical about Nicaragua's adherence to the plan and has sought continued military aid to the contras. Mr. Reagan's speech appeared to confirm the stated intent by the

White House to ask Congress for new aid after Sept. 30.

A mix-up in the White House announcement about the Reagan message gave the Sandinists an opportunity Monday night to jam the broadcast of Radio Liberation, according to the chief White House spokesman, Martin Fitzwater.

Mr. Fitzwater announced during the White House daily briefing on Monday that the president had given the speech. But later, Mr. Fitzwater said he had learned that Mr. Reagan had not given the message yet.

"I got the day wrong and simply made a mistake in announcing it," Mr. Fitzwater said.

Several minutes later a press staff aide distributed a statement saying that the message would be released to reporters on Tuesday morning. The speech was given Monday night.

Mr. Reagan is trying to walk what one senior official called "a tightrope" between conservatives who fear he will desert the contras and congressional Democrats who are concerned that he is simply giving lip service to proposals for a negotiated end to the Nicaraguan conflict. This balancing act has resulted in statements by Reagan administration officials that on some days emphasize the president's desire for peace and on others stress his commitment to the contras.

Some of the confusion appears to have spilled over to the scheduled meeting in Los Angeles on Thursday between Mr. Reagan and contra leaders.

When the meeting was announced last week, Mr. Fitzwater said it was intended to discuss the pending Central American peace proposal but also was meant as a political signal to those concerned about the fate of the contras.

"Make no mistake about it," he said. "We want to demonstrate to the conservative leaders and to the [contra] directorate and to the nation that the president will not desert the contras." (WP, LAT)



U.S. ASTRONAUT CANDIDATE — Dr. Mae C. Jenison, the first black woman to be selected by NASA as an astronaut candidate, gets a feel for the space shuttle in a training model at the Johnson Space Center in Houston. Dr. Jenison is one of 15 new candidates.

Marine's 30-Year Sentence for Spying Is Called a 'Public Relations Gesture'

New York Times Service

QUANTICO, Virginia — The jury's recommendation of a 30-year sentence for spying for Sergeant Clayton J. Lonetree, the former embassy security guard in Moscow, was greeted by the lawyer heading the marine's defense as "a public relations gesture because they know the case is so bad."

Michael V. Shuff, the lead defense counsel, said Monday after the sentencing that the jurors "could not sit through that trial and not know that there were problems with the government's case."

"Thirty years was as much as they could bring themselves to do," he added. He had predicted a life sentence.

William M. Kunster, another defense lawyer, said, "I think they wanted to give him less than life but still sock it to him."

The sentence Monday would allow consideration of parole in 10 years. It included a fine of \$5,000, the loss of all military pay and allowances, reduction in rank to private and a dishonorable discharge.

Lonetree, 25, was convicted Friday on 13 counts of espionage. The prosecutors had asked for a life sentence.

The marine was charged with passing secrets to Soviet agents after he began an affair with a Soviet woman, Violette Seins, when he was stationed at a U.S. Embassy in Moscow.

The defense said that Lonetree turned over nothing of value to the Soviet agents, that he dealt with them because he wanted to become a free-lance double agent.

The sentence is subject to approval by the Quantico base commander and then to an automatic appeal to a navy-marine corps court of review.

Further appeals could then be made in civilian courts, including the Supreme Court. Lonetree's lawyers said they had pledged to him that appeals of what they called a "prejudiced" outcome would be taken "all the way."

"We told him that this is round one," Mr. Shuff said. Asked if the lawyers believed they could reverse the verdict on appeal, Mr. Kunster replied: "Legally we are totally convinced we can do it. Whether the politics of the situation will enter into it we don't know."

Mr. Shuff described the trial judge, Captain Philip F. Roberts, as "the chief prosecutor" in a case that the defense has repeatedly charged was being "railroaded to a conviction."

The 13 counts with which Lonetree was charged included two counts of espionage, two of conspiracy with the KGB, four of providing KGB agents with the identification of covert American agents, three of delivering to the KGB diagrams or floor plans of the U.S. embassies in Moscow and Vienna, and two of failing to report contacts with foreigners.

Each espionage and conspiracy charge carried a maximum sentence of life in prison. Under military law, however, Lonetree could have received a maximum of only one life term.

In the morning session before the jury's sentencing deliberations, Lonetree spoke his only words during the two-week trial.

He used the defendant's court-martial option of an "unsworn statement" to the jury, an exchange without possibility of cross-examination by the prosecution.

He declared that after several years in an American Indian orphanage in New Mexico, he had rejoined his father in Chicago, then

joined the marines to escape his father's drunken tirades.

Halting and choking at one point and making gestures of exasperation, apparently at his momentary inability to speak, Lonetree made his statement under friendly questioning by one of his appointed marine corps lawyers, Major David H. Henderson.

The young marine said he had enlisted in the corps "because I was a patriot."

Major Henderson asked him, "Do you think anyone else is responsible for the things that have happened to you?"

Lonetree replied: "I am not going to blame anybody. It's really kind of difficult, but the problem did not just walk right in."

Prosecutors have said that Lonetree was hostile toward his country because he had experienced racial prejudice.

Another defense witness, Lieutenant Commander Forrest Sherman, a navy psychologist who said he had interviewed Lonetree repeatedly in the Quantico brig "to see if he was suicidal" or "in a stable mental state," testified that the marine had told him: "I am an apple — red on the outside but white on the inside."

Major Henderson closed for the defense with a plea for compassion, alluding to the fact that Lonetree had turned himself in to U.S. authorities.

Thieves Steal Beer in Dublin

The Associated Press

DUBLIN — Thieves have stolen 220 kegs of beer from a customs depot here, a week after customs officers seized the beer from smugglers near the border with Northern Ireland, the police said Tuesday.

Police Enter Rio Slum to Quell Fighting By Drug Traffickers

Agence France-Press

RIO DE JANEIRO — The Brazilian police launched an operation early Tuesday to take control of a Rio de Janeiro slum where two rival gangs of drug traffickers had been fighting for five days, police sources said.

A gun battle broke out between the police and the gangs at 6:30 A.M. and lasted for more than an hour, the sources said.

According to local news reports, 17 people were arrested in Santa Marta, the slum neighborhood in the southern part of Rio. The two rival drug lords were said to have fled the area.

Before Tuesday, police had lim-

ited their activity to guarding the access points to Santa Marta. They said they feared a police invasion could lead to heavy casualties among the 20,000 people who live in the slum.

Authorities say Santa Marta is one of the main arteries for drug traffic flowing toward wealthy neighborhoods in the southern part of the city.

Albania, Bolivia Agree to Ties

The Associated Press

VIENNA — Albania and Bolivia have agreed to establish diplomatic relations, the official Albanian news agency ATA said Tuesday.

Pinochet's Intention to Hold Power Raises Doubts About U.S. Policy

By Bradley Graham

Washington Post Service

SANTIAGO — After encouraging the departure of longtime dictators in Haiti and the Philippines, the Reagan administration is facing a more formidable challenge in seeking to judge from power President Augusto Pinochet of Chile.

General Pinochet's apparent determination to retain the presidency through a single-candidate election next year has raised questions here about the effectiveness of U.S. policy in encouraging the general to leave after 14 years in power.

As Chile nears a political crossroads, moderates on the left are urging Washington to place more pressure on the government, while those on the right are warning that the more confrontational Washington becomes, the stronger General Pinochet gets.

Among the factors complicating the Chilean case have been the absence of a united democratic opposition as well as General Pinochet's formidable skills as a politician. Even his harshest critics acknowledge that the 71-year-old general is deft at exploiting the opposition's divisions and cultivating the nationalism and professional loyalty of the military.

In statements last week during a visit to Santiago, Robert Gelbard, deputy assistant U.S. secretary of state for South American affairs, put the United States on record as preferring competitive presidential elections in Chile. But he also backed a planned single-candidate plebiscite provided the vote is held with safeguards against fraud.

Much of Chile's democratic opposition wants the United States to go further and apply economic sanctions. At a minimum, the opposition wants Washington to support the kind of social mobilization and mass demonstrations that undermined Jean-Claude Duvalier in Haiti and Ferdinand E. Marcos in the Philippines last year and forced a democratic opening in South Korea this year.

Several bills recently introduced in the U.S. Congress reflect growing concern on Capitol Hill about General Pinochet's intentions and the Reagan administration's measured policy.

U.S. officials still hope that some coalition of center-right opposition groups can entice the armed forces into an agreement on a mutually acceptable civilian candidate for the plebiscite.

Responsibility for picking the nominee rests with the commanders of the armed forces and police. General Pinochet, who is openly campaigning to be the candidate, announced last week that the plebiscite would be held in "about a year," earlier than the March 1989 constitutional deadline.

The U.S. strategy includes urging the military to break ranks with General Pinochet. To this end, the Reagan administration has declined to vote against international loans to Chile. Sanctions, officials say, would antagonize conservative forces in Chile and arouse nationalist resentment that could serve General Pinochet.

"A certain ambiguity continues to exist in the U.S. approach," said Hernando Muñoz, a Socialist Party leader who recently completed a book on U.S.-Chilean relations. "On the one hand, the United States has become quite critical of the situation in Chile. On the other

hand, there are signs of support for the regime, as in the relatively large amounts of assistance that continue to come from international financial institutions to which America belongs."

"These contradictions," he continued, "reflect the limits under which American policy must operate. The Reagan administration cannot get too close to a Chilean regime that violates human rights and resists moving toward democracy."

Yet it also cannot afford falling too far into confrontation with a military government whose anti-Communism and pro-free enterprise policies coincide with those in Washington.

But Mr. Muñoz and others fault the United States not only for sending mixed signals but also for seeming to focus on removing General Pinochet rather than on the larger issue of constitutional reform.

Even if General Pinochet is jettisoned, this group points out, the Constitution approved in 1980 gives the military long-term indirect control, deprives congressional representatives of real power and excludes Marxist parties from the electoral process.

The Reagan administration has endorsed calls for constitutional changes. But Washington's room to maneuver has been stunted by the inability of Chile's splintered democratic opposition to unite around this theme or much else.

There is still a chance that General Pinochet may pull himself out of the running. A commonly discussed scenario suggests that if he fears defeat in the election, General Pinochet may ask to name another candidate and keep his title as head of the armed forces.

What worries U.S. officials is

that an extension of General Pinochet's presidency could trigger greater political polarization, violence and chaos.

The Reagan administration began distancing itself from the Chilean leader after he cracked down on opposition protests in 1983. The arrival in Santiago of a new U.S. ambassador, Harry G. Barnes, in November 1985 personified Washington's decision to intensify criticism of Chile's human rights record and to promote more actively a transition to democracy.

Since then, Mr. Barnes, a widely respected career diplomat, has overseen a broadening of embassy contacts with opposition parties and human rights groups.

The U.S. shift has irritated General Pinochet. The general refused last week to see Mr. Gelbard, the State Department envoy, and avoided a ceremony on Easter Island attended by the U.S. official to inaugurate the lengthening of a runway for use as a U.S. space shuttle emergency landing site.

In public remarks clearly made with the U.S. official in mind, General Pinochet lambasted those who come "to meddle" in or "to investigate" Chilean affairs.

Adding to U.S.-Chilean strains has been the revival this year of a legal case that touches General Pinochet. The United States has renewed demands that Santiago expel two Chilean intelligence officers wanted in the 1976 murder in Washington of the former Chilean ambassador, Orlando Letelier, and an American associate, Ronni K. Moffitt.

Chile has refused to expel the accused officers, General Manuel Contreras and Lieutenant Colonel Pedro Espinoza.

PIAGET

Aldebert

A Paris: 16, place Vendôme — 1, bd de la Madeleine
70, 15 Saint-Honoré — Palais des Congrès, Porte Maillot
A Cannes: 19, La Croisette

But how attractive will her pension be?

If Deutschmark investments are part of your pension fund strategy, you are familiar with the variety of DM instruments available. But, there are subtle differences in yields, liquidity, maturity, and depth of the market. There are yet other considerations which may require tailor-made solutions.

Our experts in Düsseldorf and London would like to talk to you about them. WestLB is one of the leading German banks issuing DM bonds. After all, we have over DM 60 billion in circulation worldwide. When the future of young people is at stake, make sure your plans include WestLB.

WestLB
The Westdeutsche Landesbank.

Düsseldorf: Herzogstrasse 15, 4000 Düsseldorf 1.
Telephone (211) 82601, Telex 8582 605
London: 41, Moorgate, London EC2R 8AE.
Telephone 111 6386141, Telex B8798475

Herald Tribune

Published With The New York Times and The Washington Post

Hard Times Approach

U.S. Trade Gap in June Grew to \$15.71 Billion. Like Beirut car bombings and defense contract overruns, big trade deficits have become routine. The bad news hardly registers in America, even when the dollar takes a nasty drop. The latest figures are nonetheless stark. Unless America's biggest trading partners stimulate demand at home, a worldwide recession will be hard to avoid.

Why do U.S. trade deficits persist despite a 30 percent drop in the dollar in two years? Japanese and European exporters have trimmed profits rather than accept lower sales volumes. A glut in world production has prevented a rebound in U.S. grain exports. Heavy Latin American debt has forced Brazil and Mexico, two of the best U.S. customers, to cut back on purchases.

The most important reason, though, and the one that looks easiest to correct, is the global imbalance in economic demand.

The U.S. economy is chugging along; unemployment has dropped below 6 percent for the first time since 1980. Japan's, by contrast, seems stalled on the tracks. Its growth rate is anemic (for Japan) 3 percent, and unemployment approaches a record (for Japan) high of 3 percent. The world's other big economic player, West Germany, is in even worse shape, with less than 2 percent growth forecast and with 9 percent unemployment. As a result, there has been little increase in foreign demand for competitively priced American products. In June, U.S. imports rose by 5.8 percent while exports were up just 1.6 percent.

Then the spurring Japanese and West German economies, so dependent on export markets, will run out of gas entirely. Few economists believe that the U.S. Federal Reserve will at that point be able to find a path between inflation and recession.

There are many ways for politically weak governments in Japan and West Germany to rationalize their passivity. At the moment, they can rightly denounce America's unwillingness to face up to its budget deficits. But rationalizations will provide little comfort when the market for all those cars and cameras and machine tools takes a tumble. Burdened by leaders lacking the vision and political courage to coordinate policies, the world economy drifts toward hard times.

— THE NEW YORK TIMES

A Challenge for Duarte

The Arias peace plan leaves El Salvador in a deceptively advantageous place. The plan was designed to deal with Nicaragua, and being drawn by governments, it favors the Sandinists: It ends foreign support of local guerrillas and opens the political system only to "unarmed internal political opposition groups." These terms led a wary Nicaraguan President Daniel Ortega to accept a commitment to conciliation and democratic reform. The same terms led an exuberant Salvadoran President José Napoleón Duarte to embrace the Arias plan. El Salvador, an imperfect but striving democracy, can live with the Arias goal of democracy far more easily and credibly than Nicaragua can. And in putting an international stamp on delegitimizing guerrillas, the Arias plan handed President Duarte a major boon.

So it appears that El Salvador is in a no-lose situation. If the Salvadoran guerrillas endorse the Arias rules, halt their cruel economic sabotage and their military raids and join the legal political process, the Duarte forces will have a triumph. This result would also give something to those on the left who believe in democracy and re-

One Marine in Moscow

With the sentencing of Sergeant Clayton Lonetree to 30 years' imprisonment, a major phase of the Moscow marine scandal has come to an end. From the beginning, Sergeant Lonetree was the key figure. His guilt has now been established. His offenses are serious. A member of an elite unit, the embassy guard was the first marine in the 212-year history of the corps to be tried for espionage. Now a military jury has found him guilty of acts that he first confessed last December: He had an affair with a Soviet agent and under her influence gave to the KGB photographs of U.S. intelligence agents, embassy floor plans and more than 100 classified documents. In exchange, he received money from the Soviets.

Disgraceful as this case is, six months ago it appeared to be much worse. Four Marine Corps guards had been implicated, the entire Moscow guard contingent of 28 young men had been returned to Washington and charges were being made that the physical security of the embassy had been breached. But this was not proved. No evidence was produced that substantiated the tale of guards letting KGB agents into the building

at night, guiding them to offices and code rooms and standing by while bugs were placed and secret material compromised. Charges against one marine, Corporal Arnold Bracy, have been dropped. Those against Sergeant Robert Stufflebeam and Kenneth Walker relate to contacts with Soviet women but not to espionage.

Questions remain concerning the investigation, which was conducted by a civilian arm of the navy. In what circumstances, for example, did both Sergeant Lonetree and Corporal Bracy confess to letting the Soviets into the embassy? Did justifiable concern about embassy security in Moscow — compounded by revelations about bugs in the new building under construction — lead to unreasonable pressures and unfounded charges in the case of some marines? The involvement of Sergeant Lonetree, who turned himself in and confessed to numerous acts of espionage, has been fairly clear all along. But unless new evidence is forthcoming, it appears that serious criminal conduct by the marine guards was not widespread.

— THE WASHINGTON POST

Other Comment

More Challenges to Glasnost

Several thousand nationalist demonstrators gathered [last] weekend in the capitals of the three Baltic states — Estonia, Latvia and Lithuania — to mark the 45th anniversary of the Nazi-Soviet pact which led to their forced incorporation into the Soviet Union. These events are the latest in a series of challenges to the logic of glasnost and they have much in common with the earlier demonstrations in Moscow by Crimean Tatars seeking a return to their traditional homeland. As well as seeking some degree of national independence, the crowds in Vilnius, the capital of Lithuania, called for freedom for the Roman Catholic Church and for publication of the secret protocols of the Molotov-Ribbentrop pact which partitioned great parts of Eastern Europe between Germany and the Soviet Union.

By now the broad truth about the gulag, the purges of "innocent" party and military leaders, the collaboration with Hitler and the fact that entire minority groups were repressed is relatively widely known. The Russian people would survive the

shock of a little historic glasnost. But admitting an appalling past to the Russian people, to the Tatars, to the Kazakhs and, indeed, to the Ukrainians and the Georgians, and that would challenge the very legitimacy of the Russian empire. For it would involve admitting that Russia has long been an opportunistic expansionist power which acquired its fringe states and its national minorities by force of arms and governs them against their will.

— The Independent (London).

The Onus Remains on Syria

After nearly 10 months of isolation, Syria seems to be edging its way out of international quarantine. But a degree of caution is in order, since President Assad has yet to prove that he can deliver on any of the issues with which he is promising to help the West, particularly in regard to his relationship with Iran. The onus is on Syria to earn a full return to favor by proving that it can turn its leverage over Iran into genuinely constructive ends.

— The Financial Times (London).

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1978-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, Publisher

JOHN VINOCUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR
Managing Editor • CHARLES MITCHELL, Deputy Editor • CARL GEWIRTZ, Associate Editor •
ROBERT J. DONAHUE, Editor of the Editorial Pages

RENÉ BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers •
FRANÇOIS DESMAISON, Circulation Director • ROLF D. KRANZFUHL, Advertising Sales Director
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92000 Neuilly-sur-Seine, France.
Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.
Director of the publication: Walter N. Thayer.

Editor for Asia: Michael Richardson, 5 Cantonment Rd., Singapore 0511. Tel. 472-7768. Telex: RSS6028
Managing Director: John MacKenzie, 30 Gloucester Road, Hong Kong. Tel. 5-9610616. Telex: 61170
Managing Director: John MacKenzie, 65 Long Ave., London WC2. Tel. 836-4802. Telex: 262029
Gen. Mgr. W. Gernsey, W. Lamberth, Frankfurt 15, 6000 Frankfurt/M. Tel. (069) 726353. Telex: 416721
Pres. U.S.: Michael Corry, 250 Third Ave., New York, N.Y. 10022. Tel. (212) 723-3890. Telex: 427175
S.A. capital de 1,200,000 F. RCS Nanterre B 71200116. Commission Paritaire No. 61337
© 1987, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

OPINION

Prosperity Makes Democracy Inescapable

By John Kenneth Galbraith

CAMBRIDGE, Massachusetts —

There have been few times in history when the word "democracy"

has been so persistently, even extrava-

gantly, a subject of public reference

as in these last months. The bicentennial

of the Constitution of the United

States, developments in the Philip-

pines and South Korea and possibly

even in the Soviet Union, and the

didactic rhetoric of Lieutenant Col-

onel Oliver North have combined to

threaten dangerously our ears.

Certainly we have been left in no

doubt as to the virtues of this design

for government, even in the rather

flexible form avowed in the In-

terim hearings. And here is the

problem: We have heard too much of

the virtues of democracy — a matter

of which, generally speaking, we are

aware. We have heard too little of its

practical utility, and, more especially,

given the relevant circumstances, of

its historical inevitability.

This failure to recognize the utility

and inevitability of democracy is, in

turn, the source of one of the most

serious — perhaps the most serious

— errors in American foreign policy.

The broad and wholly viable cir-

cumstance is that there can be and

are dictatorships in primitive tribal or

landlord-dominated agricultural so-

cieties, and perhaps for a while in the

early stages of industrial develop-

ment, or in times of economic regres-

sion and hardship, as in Germany

and Italy in the 1930s.

People who are subject in their daily

lives to the personal authority or eco-

nomic power of tribal leaders, large

landowners or primal capitalists, or to

the weight of economic depression, are

not especially sensitive to the author-

ity of some civilian or military dicta-

tor or junta in the often remote capi-

tal. Their freedom of expression is

sufficiently circumscribed by the local

cell, as also by poverty and an all-

embracing struggle to survive. Mass

illiteracy also contributes greatly

to political docility.

All of this changes with economic

and industrial development. The con-

trolling circumstance then is simply

that a very large number of people,

individually and in organizations, in-

sist on being heard. Poverty and igno-

rance have sufficiently released their

grip so as to allow the luxury — in fact,

the imperative — of self-expression.

Diverse business interests, trade

unions, professional groups, farm or-

ganizations, university students and

faculty, journalists, politicians, reli-

gious leaders, self-motivated curiosi-

ties of the public interest — the list

can be extended almost indefinitely —

all wish to have a voice in the way

they are governed, and not less in the

way others are governed.

The same attitudes that have defied

the exercise of external imperial

power in this century resist the un-

checked exercise of authority within

the country. The only way so far dis-

covered for allowing this expression

and effect is some real or imagined

democracy — some form of participa-

tory in the act of government. Demo-

cracy is not, as we regularly suggest,

a fragile thing, in the absence of any

worthy alternative it is inevitable.

All of this could sound theoretical,

abstract, were it not so powerfully

affirmed in practice. There is no ad-

vanced industrial country outside the

socialist world that does not have,

in one form or another, a democra-

tically oriented government. So it is

in the United States and Canada,

in Japan, Australia, New Zealand,

India (now an emergent industrial

power), Brazil, Argentina and

Mexico, in Israel and in all of West-

ern Europe without exception.

In the nonindustrial world, on the

other hand, democracy is at best

exceptional. Here there is the mili-

tary dictatorship, the civilian

strongman or a permanently domi-

nant minority. What in the industri-

ally developed world is the rule is in

the nonindustrial world sadly the

exception to the rule.

It is equally clear and certain that as

countries develop and move into the

modern industrial sector, they reject

the old dictatorial or autarchical rule

and demand the democratic right of

participation and self-expression.

This we have seen in recent decades

in Spain, Greece, Argentina and Bra-

zil, elsewhere in Latin America, and

most recently in the Philippines and

South Korea. And we also now see

the Soviet Union and China making

concessions to this insistent de-

mand by the people to participate or,

in any case, to be heard.

Our error is to think of democracy

as a virtue — something to be cher-

ished but, if circumstances required,

rather readily foregone. In a wicked

world, we hold that our virtue, little

as we doubt it, is not necessarily for

all. So we come to terms with dictatorial

regimes; this is the practical course.

No one is more suspect than the

official or politician who resists his

or her case on moral grounds. In foreign

policy discourse, that is thought soft-

headed. Conservatives and perhaps es-

pecially liberals have pride in showing

that they can be as tough as the prac-

tical situation seems to require.

Morality and virtue can be compro-

mised, but historical inevitability can-

not. And that is why regularly Ameri-

cans find themselves holding hands

with dictators and repressive regimes

while history is marching them out.

So it has been in these last years in

the Philippines and South Korea. So it

will be in the future in Taiwan, Chi-

le, Pakistan, Indonesia and eventually

in South Africa and in the Arab world.

We cannot assume that any modern

state can resist the insistent will of its

people to be heard and to participate.

Dictatorships, alas, may well continue

in the poorest lands; elsewhere they

are a passing phase. As a matter of

current practical relevance, the United

States cannot install democracy in

Latin America. With economic devel-

opment, however, it will surely come.

I do not suggest that with industri-

al development the transition to de-

mocracy will always be a violent mood,

which, when released, can in turn be

inimical to democracy.

More particularly, when Americans

align themselves with dictators and

against history, the legacy will be a

strong, perhaps even a politically deci-

sive anti-Americanism. Suppressed

during the dictatorship, it will burst

into full flame in the aftermath.

This anti-Americanism is the pre-

sent experience in the Philippines

and especially in South Korea, as it

continues to be in Iran.

And we have seen a further and

even more extreme response. If the

United States supports dictators, then

the Soviet Union and socialism must

be right. This was the reaction in

Cuba after Fulbright Batista and in

Nicaragua after Anastasio So-

moza Debayle. Moral misjudgments

can presumably be forgiven, forth-

right conflict with history has deep-

er and more enduring effects.

Thus, the conclusion. Let us fol-

low the practical course. Let us look

beyond the current outburst of rhe-

toric on democracy to the reality.

That reality is the absence in the

modern industrial country of any

enduring alternative to democracy.

Accordingly, let us cease linking

ourselves to obsolescent forms of

government, especially in those

countries that are now coasting over

into modern economic life. Let us, if

reluctantly, face this grim fact:

Those who resist embracing dicta-

tors, however impracticable may

seem their susceptibility to moral

judgments, are historically right.

The writer, a former ambassador to

India, is emeritus professor of economics

at Harvard University. He contributed

this column to The New York Times.

OPINION

The Odd Fellows: Censors, Spies and Pornographers

By A.M. Rosenthal

NEW YORK — The passion for freedom of the mind is strong and everlasting, which is fortunate, because so is the passion to squelch it. Just when those of us who insist we have the right to read, write and think as we please begin to relax a bit, along come government censors, spies and pornographers driven by the desire to tell us what is good for us.

In England, the government has forbidden newspapers to print details of a

ON MY MIND

book that is now the No. 1 best seller in the United States and is being piled high in U.S. airports for British travelers to take home and for readers to peddle in London. "Spycatcher," by a former member of the British Secret Service, deals with events mostly decades old, but shows how British intelligence tracks and sometimes tries to manipulate elected officials. It owes its best-selling status entirely to Margaret Thatcher's dogged efforts to suppress it.

This is the same kind of clumsy collaboration between British courts and government that kept Harry Evans, a talented editor with a large supply of feistiness, from printing the story of why thousands of babies around the world, including many in Britain, were born with flippers for arms or legs. Mr. Evans, then editor of The Sunday Times and now editor of the American magazine Traveler, fought valiantly in the British courts. Finally the European Court of Human Rights upheld him, and British readers learned what had happened to pregnant women who had swallowed the tranquilizer called thalidomide. It took 10 years.

Some years ago I was talking at dinner to Sir Robert Marks, then head of Scotland Yard, on the importance of guaranteeing press rights against censorship. Sir Robert looked at me coolly and said: "Sometimes I think it is a pity Americans and Britons speak the same language. It leads us to the erroneous assumption that we share the same ideas and attitudes."

So I was all prepared to commit a column about how, in the United States, neither the "Spycatcher" nor the thalidomide cases could happen. Then I read details of the latest American censorship drive, backed by the full might and glory of the government of the United States. It is against obscenity and pornography.

Actually, it is easy for anybody to fight both. Do not write or publish dirty words or take filthy pictures. Do not buy publications that strike you as sexually offensive, or permit your children to do so. But the Department of Justice has created the nonsensically named National Obscenity Enforcement Unit to help

state censors and to bring federal pressure and legal hocus-pocus into play. Federal officials say fighting obscenity is a national priority, which should suit drug runners just fine. This is not to sneer at people disgusted by sexual explicitness, but it has to be recognized that not everybody is disgusted, otherwise the vast pornography industry would not exist.

The question, then, is: Should satisfying the appetite for obscenity be criminalized, as is the drug traffic? Let's not avoid the issue by focusing only on child pornography; that can be fought with child abuse laws already on the books. This is a government and public campaign to harass out of existence producers of books and movies considered sexually offensive by officials or members of a community. They can rule it out of their own lives and exercise parental control. But they wish to use every method, legal, economic and political, to rule it out of the lives of everybody else. That is the issue and should be acknowledged.

There is material far more vicious than pornography, whose dangers are still debated. Words of contempt and hate have led to war, oppression, death, massacre



and slavery. Since filthy hates are far more dangerous than filthy pictures, shall we outlaw "Mein Kampf," "The Protocols of the Elders of Zion," the anti-black garbage of the Ku Klux Klan? Shall we prevent the publication of racist sermons and speeches labeling a religious group or race as gutter people, the kind of language that was the psychological foundation

of enslaving blacks and gassing Jews? Yes, we can, and then prevent publication of medical information that would damage the economic interests of thalidomide makers or "security" information or anything else that one branch of government or part of the public finds deeply offensive. The anti-pornography people would not like that: They simply want to

wipe out some overly graphic sexual materials they deem. Understandable, but it does bring up the matter of what Americans are willing to pay for the First Amendment. It was written to protect the publication of the very material that many people loathe most.

That is its meaning, and its price.

The New York Times

LETTERS TO THE EDITOR

Observations on Glasnost, as Seen Through Other Eyes

Regarding the opinion column "Looking for Glasnost on the Scene" (Meanwhile, Aug. 11) by Stephen Williams:

I was in the Soviet Union at the same time as Mr. Williams, but I have been going there regularly since 1969, speaking the language fluently (I am a free-lance translator), and have many friends there. After I read his article, I tried to picture what his impressions would be if I were American and going there for the first time this year. That was rather easy for me to do because I had met several Americans who happened to be on their first visit. The basic difference between them and Mr. Williams was that, from the moment they arrived in the Soviet Union, they looked for friends to guide them in a country where the language is a barrier and the customs so different. And they succeeded in perceiving what is obvious to me: that something new really is taking place there.

First, let's take the way the Russians dress, which is infinitely better than most Americans. They have taste and manage, with what they find in the stores and on the black market, to have a perfectly decent appearance. Conservative, certainly. But jeans are common, and so are T-shirts. They were not a few years back. The government-controlled press has

long decided the laggardness of the construction industry. So no one is surprised at seeing weedy-looking backyards in Moscow and Leningrad. They are still cleaner than those in the Bronx, and less dangerous. "Good Evening, Moscow," the popular live television program on every evening between 7 and 8, takes questions from the audience on this controversial topic and many others.

Mr. Williams' one venture off the tourist circuit did not take him to many markets, obviously. There were lots of fresh vegetables and greens, plenty of fruit, and I even saw wild strawberries being sold by the glass. The real problem: they are very expensive, and that, too, is a hot topic on television.

Hunting for punks is a rewarding experience if you enjoy suburban back alleys at night. But you can see some samples in downtown Leningrad when the white nights hit Nevsky Prospekt.

Off-limit places? If you want to go, go. My friends visited the famous Perekopka graveyard without any problem. When the guide tells you it's difficult to get there, she is just being lazy. The only requirement: that you not go more than 40 kilometers (25 miles) outside the city on your own. You have to ask the guide, and if she is not too lazy,

or if she is friendly, she will take you.

When newlyweds lay the bride's bouquet on the grave of the Unknown Soldier, it is homage paid to the victims of a war that affected every family in the country. Patriotism in Russia has the same color as in America: the people are proud of their country, its history and its victories, and proclaim it loudly.

I should add, from my own experience, that there is a real effort to uproot alcoholism, and to apply "efficiency" (the word does not exist in Russian) at the workplace. It will take time but at least people are asked to compare their methods with what is being done abroad, and that was taboo until last year.

Hotel security brings me to what struck me most this visit: the paradox in which Soviet society now lives. Some hotels let you in without any controls, others will not even let in foreigners from other hotels. There is no rule. You have to give it a try and see what the reaction is.

And this is truly where glasnost is hiding these days: Some things which were very reprehensible a while ago are no longer, while others are just as dangerous. But the only way to find out is to try. The Americans I saw did just that. If it did not work, well, they knew that this country had a long way to come. If it worked, then it was a little ray of hope, and we all agreed that we found

a considerable number of rays. Not enough to brighten up the scene completely, but enough to feel better as you left your Russian friends behind, knowing that, now, they might be facing their future instead of surviving the war.

NATHALIE NOVIK

Paris

It is a sad reality that, apart from the many "official" barriers imposed on tourists in the Soviet Union, the only English-speaking Russians one is likely to encounter are tourist guides, usually purveyors of the strictest dogma, or black market traders whose interest in discussion is limited to Levi jeans and Swiss watches. Thus, observation becomes the sole means of evaluating the Soviet Union and the effects of glasnost.

If the visitor lacks knowledge of Russian, observation degenerates into comparison — not of abstractions such as political systems or personal freedoms but of tangibles such as consumer goods. But do these comparisons truly address the issue of glasnost in its admittedly infant stage? Moscow today may not resemble Prague in 1968, but it would be shortsighted not to see the changes taking place. Spring is always preceded by a slow winter thaw, however imperceptible.

JOSEPH METCALFE

London

Princeton: A Toothless Tiger Is Shot Down in Academia

By Leonard Koppett

NEW YORK — What follows is sheer curmudgeonry. It is my intention to irritate, tease, insult and discomfort any and all of my friends connected, however tenuously, with Princeton University by calling attention to what I consider the total disintegration of Princeton's academic standards.

I do this to indulge an animosity that began when I entered Columbia University in 1940 and thereupon inherited a

MEANWHILE

vendetta. In 1804, Aaron Burr (Princeton) killed Alexander Hamilton (Columbia) in a duel; certain subsequent sports results, especially a basketball game in 1948, helped keep my indignation fresh.

And while Columbia alumni take vicarious pride in the attention being paid to Hamilton during the bicentennial of the U.S. Constitution, to whose adoption he contributed so much, we also don't hesitate to remind Princetonians that Burr wound up being tried for treason (but was acquitted, I admit).

Now, Life magazine, in its current issue, reproduces, with her permission and comment, the four-year academic transcript of Brooke Shields, the actress, who was graduated in June. The record itself reflects nothing but credit on the young lady. She got all As and Bs, and obviously paid attention to her school work. The criticism that follows is not directed at her, nor intends to suggest that there is anything wrong with the courses she took, her spheres of interest or the academic quality of the courses she did take.

What caught my attention was the totality of her program: that is, what it takes to get a Princeton degree these days.

Princeton has always presented itself as the purveyor of a superior traditional liberal arts education, producing well-rounded minds stocked with the basics of Western culture. Like Harvard and Yale, the only two institutions Princetonians consider their social equals (although Harvard people have great reservations about the upstarts from New Jersey), Princeton is supposed to provide no mere "college education," honorable as that is in itself. It is supposed to aspire to a level of intellectual and cultural breadth exceptional in America and suitable for an especially favored elite of true "gentlemen" (and, since going coed, "gentlewomen" in the best sense).

This is the image projected. We Columbia people may have our opinions about how individual Princetonians live up to such claims, and may know from experience that their interest in their eating clubs, squash courts, genteel caressing and social contacts often ex-

ceeded their dedication to mental development. But we haven't questioned the devotion of the institution itself to a thorough education. Until now.

Brooke Shields majored in French. In four years, she took 116 credits (hours) and received another 16 hours of credit for individual work in her junior and senior years. To put it another way, she took 30 one-semester courses.

She took four courses in French language and five in French literature, plus three courses in acting, three in cinema analysis, one in dance, one in contemporary English drama. Together, these courses accounted for 59 percent of her classroom hours.

She took three semesters of ceramics (10 percent of her classroom time). She took three courses in psychology: introductory, abnormal and "Theories of Psychotherapy" (10 percent).

She had two other English courses: "Women and the Novel" and "Victorian Children's Literature" (7 percent).

The other courses, one semester each, were "Philosophy and the Modern Mind," "Comparative Family Systems," "The Self in World Religions" and "History of Earth and Life" (geology). I don't doubt that the content of each course was excellent. But if that adds up to a liberal arts education from a place like Princeton, there is no longer any danger that our society will ever suffer from elitism in any form.

That education apparently contained no courses in classical studies (history, philosophy, literature of the ancient world), medieval history, modern history or U.S. history; no hard science requiring any kind of lab; no math; no anthropology; no economics; no political science or government; no basic sociology; no world literature; no American literature; no survey of Third World cultures; no geography; not even computer literacy.

That's no fault of hers; by my lights, Miss Shields was cheated.

Princeton's motto, "Dei sub numine viget," translates from the Latin as: "Under God's guidance, it flourishes," with the "it" referring to Princeton. My freer translation is: "Boy, have we got good networking!" But it is the word "flourish" that now is in question, and if a program that light, and that loose, can lead to a degree at Princeton, what possible excuse can there be for a continuation of inferior football teams in Palmer Stadium?

The writer, a former sports reporter for The New York Times, is editor emeritus of The Peninsula Times Tribune, in Palo Alto, California, from which this article is adapted.

GENERAL NEWS

In Spain, Real Estate Swindles Cloud Foreigners' Dreams for Retirement

The Associated Press

CALPE, Spain — Last summer, Bill and Doreen Langford sold their house in England to move into a retirement house they paid \$66,000 to build near this village on the eastern Mediterranean coast.

But when they arrived, their dream house did not exist. The Langfords found a half-finished foundation and a hole in the ground where their swimming pool should have been.

Now the Langfords are living in the house, but they are still awaiting electricity and water installation. The swimming pool is still a pit. Their dream of a carefree Mediterranean retirement life has become a nightmare of legal disputes, labor headaches and depleted bank accounts.

Most foreigners who buy houses in Spain get legitimate deals and settle down to a comfortable life. But some of the estimated one million Britons, West Germans and other northern Europeans who have flocked to Spain have faced unpleasant surprises.

"We just wanted to retire and do the garden," said Mr. Langford, a former British Telecom employee. "Our savings have been virtually spent on the house and we have neither the time nor the money to spend on a legal action."

Real estate experts are warning prospective buyers to be sure that they understand Spanish real estate laws. And the Spanish government, facing pressure from the European Parliament and aware of growing foreign investments, is taking action against local and foreign swindlers who have been wheeling and dealing for years.

Foreigners invested \$1.6 billion in Spanish real estate last year. "We've got a movement in Madrid that never existed before," said Edward McMillan-Scott, a conservative British deputy in the European Parliament. He has made several trips to Alicante to investigate what he calls the "golden fleece" of European retirees.

The government has established a 12-member commission to investigate shady real estate practices. The state mortgage bank has recommended prosecution of two Spanish developers who borrowed

money against unsold houses, and then signed sales contracts saying the properties were free of debt.

In one respect, the Langfords were lucky. They still own their house, unlike others who lost their property in public auctions because they had improperly drafted sales contracts or old debts they did not know existed.

A 15,000-member foreign property owners' group has sent 350 cases of alleged real estate fraud to

Upon arriving, some new owners discover disputes over water rights and disconnected power lines, half-built houses and inflated construction costs.

the Socialist government of Prime Minister Felipe Gonzalez in Madrid.

Spanish officials say they have resolved 20 percent of the cases. Gone are the days when, in the early 1960s, the hardy few moved to Spain as an adventure, remodeling crumbling houses in small villages at little cost and with little regard for building codes and regulations.

Now, real estate developments line the country's 1,800-mile (2,900-kilometer) Mediterranean and Atlantic coasts, blotting out the view of the sea for all but the very fortunate or the very wealthy.

Prices range from 1 million pesetas (about \$8,200) for a studio apartment in Torremolinos, a crowded village south of Málaga, or 5 million pesetas for a two-bedroom duplex in a coastal development, to amounts that discourage all but wealthy Arabs who build palaces on the Costa del Sol.

Of the foreign property owners

in Spain, 30 percent are British. West Germans account for about 25 percent.

Dutch, Scandinavian and French seasonal tourists and permanent residents form most of the rest of the foreign population.

A 7,000-unit retirement village is in the works for Japanese residents in Mijas, in the mountains behind Málaga.

About 50,000 foreigners bought property in Spain last year, according to the Foreign Property Owners Institute, which is based in Calpe. Of these buyers, 30,000 were British.

Some are middle-class retirees who were persuaded to buy houses by fellow countrymen who deliver high-pressure sales pitches and offer quick buying junkets to development sites, said Mr. McMillan-Scott, the European Parliament deputy.

Henry Lock, an official of the property owners institute, said that upon arriving, many naive owners discover disputes over water rights and disconnected power lines, half-built houses and inflated construction costs.

"There's often a fine line between what's fraud and what's not," he said. "All is well as long as the ball keeps rolling. You just hope it doesn't stop on you."

He said that the best way to prevent problems was to consult a Spanish lawyer, who could conduct a title check for old debts.

At a housing development outside Calpe, a group of 54 foreigners went to a local lawyer after a bank told them to cover an old debt of \$7,500 each or face public auction.

Ted Ware, a retired engineer from Plymouth, England, notified Mr. McMillan-Scott, who convinced the bank to postpone demanding payment of the mortgages while he pursued the matter with government agencies in Madrid.

After studying the case and a similar one in nearby Denia, the bank asked the public prosecutor to file criminal charges against the Spanish developer.

Mr. McMillan-Scott said the case could set a precedent because it would hold the previous owner responsible for the money he had borrowed.

Hess's Body Will Be Moved to Family Plot

The Associated Press

BERLIN — Rudolf Hess's relatives plan to have the former Nazi leader's body transferred to the family grave in northern Bavaria once "everything quiets down," the family lawyer said Tuesday.

The lawyer, Alfred Seidl, said, "It is my understanding that the last wishes of the deceased regarding his burial in the family plot will be fulfilled at a later time, when everything has quieted down."

The Hess family said a burial was held Monday at a secret location to avoid expected demonstrations by extremists near the family plot in the town of Wunsiedel.

Mr. Seidl also said Hess's son, Wolf-Rüdiger, was improving following a stroke Sunday. "He has improved a little, but he must remain in the hospital," Mr. Seidl said.



The author of this column was a Paris Herald reporter and editor from 1929 to 1933, when he returned to the States to join the Baltimore Sun. He has published short stories, essays and a novel and today, in retirement, continues to contribute to the Sun's editorial page.

By R.H. Hariss

Gertrude Stein called us a Lost Generation, but Paris was the place to be in the 1920s and 30s and Paris was where we found ourselves. Escapists and discoverers, we expatriate Americans had got away from Prohibition and puritanism and found an inexpensive home-away-from-home in the café life of France.

From the working man's little bistrot-cabaret to the places that only the rich or those who had budgeted for on-the-town hoopla could afford, cafés were havens of geniality.

Many a young expatriate American found this freedom encapsulated by the atmosphere of one specific café in one specific arrondissement. This was especially true of those involved (or trying to become involved) with the creative and performing arts. The French, in my time on the Herald, had a tolerance, sometimes amounting to genuine affection, for these folks, and perhaps for resident American newspapermen (always respectfully called journalists).

The prime example was Ernest Hemingway. When still young and poor he made a working-man's bistrot his hangout. Later on, when he became famous, the Closely des Lilas became famous, too.

Actually, Hemingway was more often in Spain by the time I arrived in Paris, but he returned from time to time. He had subtle his digs (where he, wife Hadley and their infant son "Mickey Bumbly" had lived) to my Herald-staffer friend, Ned Calmer, who would eventu-

NOTES ON A CENTURY

The 'Onyxpected' Wonders Of Life in Paris Cafes



A discussion in front of the Café Le Dome, Montparnasse.

ally become a U.S. television newsmen and novelist.

Most of the Herald staff lived on the Left Bank, and had definite café preferences there.

On the Right Bank, where we worked, cozy bistros were scarce, especially in the high-rent district near the Herald's Rue de Berni building. This made the night staff highly appreciative of the Onyx Café, located on a convenient side street. The owner would serve us after hours, risking license trouble. Usually we were able to fix things for him with the police. The Onyx Bar actually had an onyx slab (hence its name) but we pretended to believe that the proprietor was Monsieur Onyx until Tom Marvel came up with the logical explanation that the bistrot was named Onyx because it was so "onyxpected" to find it in the area.

In Montparnasse, the Dôme and its rival, the Coupole, were prime gathering places for celebrities in the arts, for poets and for tourists who hoped to pass as hardened Bohemians. The terrace of each café extended far out on the broad sidewalk and was well-filled from early afternoon to next day's dawn.

If you weren't seated at a table by 4 p.m., you might as well go elsewhere. The ambience was raffish; from time to time, a drunken American started a ruckus, quickly put down.

In my Herald years I often walked alone from the office, around 3 a.m., down the Champs Elysées to the Place de la Concorde, across the Seine and along the Boulevard Saint-Germain to my flat. I carried a stout cane, but never had to use it defensively on the way home.

Home on the Left Bank was in the Latin Quarter. There it was not uncommon for a café to have its resident poet, artist or author, whose modest expenditure for food and drink entitled him to a writing pad, pen and ink and free stationery.

My hangout was the Café de la Flore, on the Boulevard St. Germain, where for a time I came to be treated as its resident writer. Across the street was the Beauséjour Lipp. Near the Flore, on the same side of the boulevard, was the Aux Deux Magots.

At these two cafés, the chicory-coated coffee was the most emphatic, their croissants and brioches the freshest, their light meals the

raziest and the house wine the most respectable, of all Paris. This was in the very heart of creative Paris, where writers and publishers, artists and gallery directors lived within a block or two of each other.

At the Flore, the waiters tactfully kept bays away from my table where I wrote the rough drafts of short stories and essays... and most of a first novel. My routine was to have breakfast there at noon, then write a chapter and take it with me to the Herald.

The novel had nothing about Paris in it; its setting was the rural South, which I could see more clearly at the Flore than I had ever seen it at home. Titled "The Foxes," it made the New York Herald Tribune best-seller list in 1936 and got good reviews in Time and other American magazines.

A decade or so later came a real celebrity, Jean Paul Sartre, the Existentialist author. He made the Flore his hangout, and brought it more fame than it really wanted.

This is the 29th in a series of messages about the IHT which will appear throughout the Centennial year.

U.S. Offers Measure To 'Simplify' Arms Treaty Verification

GENEVA — The United States submitted new proposals Tuesday at arms control talks with the Soviet Union, and a U.S. spokesman rejected reports that the Reagan administration was softening its demands for strict verification measures.

Terry Shroeder, a spokesman for the U.S. arms control delegation, said the proposals were put forth at a meeting of negotiators on intermediate-range nuclear forces, headed by Maynard W. Glitman of the United States and General Vladimir Medvedev of the Soviet Union.

Mr. Shroeder read a statement saying the United States had always maintained that verification measures could be simplified under the so-called double zero option. The option would eliminate shorter- and medium-range missiles worldwide.

"Today we are laying out how this simplification could be achieved," Mr. Shroeder said. He said the U.S. proposal, "although simplified, will still be the most stringent ever proposed in any U.S.-Soviet negotiations and will include on-site inspection."

He said the U.S. delegation "sharply rejected suggestions in U.S. media reports that we are backing off or softening our proposals."

A U.S. official in Washington said Monday that the Americans would soften demands for on-site inspection of nuclear missile sites in a move designed to keep Soviet observers out of sensitive areas in the United States. The official asked not to be identified.

The U.S. and Soviet negotiators are working to resolve remaining differences before the scheduled meeting of their foreign ministers next month.

The two sides overcame one hurdle last month when Moscow agreed to a U.S. suggestion to eliminate from Europe and Asia all medium- and shorter-range missiles, those that can travel 300 to 3,000 miles (500 to 5,000 kilometers).

In Washington, the U.S. official who requested anonymity said the new U.S. proposals were designed to keep areas of sensitive U.S. weapon production off-limits to Soviet observers. The official said the Reagan administration had told negotiators to ease demands for on-site and surprise inspections of nuclear missile production sites.

The U.S. Arms Control and Disarmament Agency has maintained that the United States must insist on unrestricted inspection of the plants where the Soviet Union produces its SS-20 rockets and other missiles in the 300-to-3,000-mile range that would be banned by the treaty.

Since Soviet monitors would have a reciprocal right to check U.S. installations, intelligence experts objected.

Genscher Seeks Bonn Shift
Meanwhile, Robert J. McCarmey of The Washington Post reported from Bonn:

Foreign Minister Hans-Dietrich Genscher of West Germany has begun pushing hard within the Bonn coalition for the government to abandon one of the last remaining obstacles to a U.S.-Soviet arms accord by committing itself not to replace its 72 Pershing-1A missiles, sources close to Mr. Genscher said Tuesday.

The foreign minister favors allowing the missiles, whose nuclear warheads are controlled by the United States, to be dismantled in the early 1990s, instead of replacing them with an updated version, the sources said.

Mr. Genscher would like the government to make the pledge on the Pershing-1As before George F. Shultz, the U.S. secretary of state, meets with Eduard A. Shevardnadze, the Soviet foreign minister, Sept. 15-17 in Washington, the sources said.

That would prevent Mr. Shevardnadze from canceling the meeting over the Pershing-1A dispute, as Moscow has threatened.

Mr. Genscher's position, which was proposed publicly on Monday and Tuesday by spokesmen from his Free Democratic Party, represents the first concrete indication that Bonn might drop its insistence on keeping the Pershing-1As.

At the same time, Iranians reported that Christians in Iran have received authorization to make their own wine and vodka. It can be consumed not only for religious services, they said, but also on social occasions inside their homes.

"Before the revolution, people drank outside their homes and prayed inside," goes a joke. "Now they pray outside their homes and drink inside."

The changes have been serious as well, however, and they have raised strong doubts in the minds of many Iranians, particularly as the war with Iraq drags on.

With komish members ready to report on what they hear, several Iranians met by chance were eager to share these doubts, but only after moving out of hearing range of others.

"In every cemetery you see hundreds and thousands of graves," said a student at Tehran University who previously had studied in the United States. "In any country, if you want to build the country and all these young men die, what will happen? We are spending our money and our youth."

Diplomatic sources said the high casualty count after last winter's assault on Iraqi forces near Basra particularly shook many families whose sons had gone to the front as *bashtis*, or volunteers. According to

one count, up to 50,000 Iranian youths were killed or wounded out of 100,000 dispatched to the region. Because of a drop in the number of volunteers since then, the Revolutionary Guards organized special brigades this spring to improve government services to the families of those who volunteer for the front, a diplomat said.

Despite the doubts, the fervor of Islamic and revolutionary revival continues to be the strongest force at the command of Ayatollah Khomeini's government, diplomats pointed out.

The killings at Mecca on July 31, for example, became a focal point for popular rallies and speech-making against Iraq, Saudi Arabia and the United States for several weeks.

Several diplomats suggested Iranian leaders have deliberately used such controversies as the Mecca killings to whip up popular support that otherwise could flag under pressure from war casualties and economic hardships.

"They have to do something from time to time, apart from the war, to keep people alert on the revolution, to keep the thing alive," said one.

But for what diplomats said still appears to be a majority of Iran's 45 million inhabitants, particularly in the less-developed countryside, the combined forces of religion and revolution have retained the ability to mobilize.

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

IRAN: Faith and Zealotry Still Drive the Ayatollah's Islamic Revolution

(Continued From Page 1)

nized this facet of the war. It often calls the conflict "Saddam's Qudsiyyah," a reference to the Battle of Qudsiyyah in 637, in which Arab warriors drove the Persians back across the Gulf.

● Revolutionary zeal, a non-Marxist version of the organization and morale-building drive to reform society that underpins authoritarian revolutions elsewhere and has created the same kind of military vanguard, called here the Revolutionary Guards.

In addition to the increasingly powerful Guards, Iran has been organized into *komitahs*, or revolutionary committees, that enforce the new rule in the streets.

The *komitahs* have formed around mosques or mullahs, but Iranians said they perform roughly the same functions as neighborhood Sandinista Defense Committees in Nicaragua or Revolutionary Defense Committees in Cuba.

Tehran residents go to their local *komitahs* to get ration cards for sugar or meat, for example, and *komitah* leaders make sure the masses turn out for demonstrations when the Islamic leadership puts out the call.

To many foreigners or Iranians educated in the West, the revolu-

tion's zeal has given rise to narrow-mindedness and extremism, particularly surrounding harsh Moslem strictures. An Iranian woman smiled in commiseration, for instance, when a Western woman was forced to enter Mehabad International Airport through a separate door from her male traveling companion.

Similarly, a Kurdish Iranian complained that Revolutionary Guard sentries barred him from the Interior Ministry because he was wearing a short-sleeved shirt in the Tehran heat.

A taxi driver, used to dealing with foreigners, said with a smile that "normal people" travel to the Caspian Sea for a swim while the "poor people" attend Friday prayers to listen to fiery speeches from their leaders.

In the former Hilton Hotel in Tehran, now called the Esteghal, or Independence, a woman veiled from head to toe with only her eyes showing parolled the lobby to remind female guests that they must cover their hair. An American with a dark wig peeking out of her scarf received a pink card from a waiter urging her politely in Persian and English to respect Iranian customs.

Alcoholic beverages have been banned since soon after Ayatollah Ruhollah Khomeini flew to Tehran from France and set up the Islamic Republic. In a measure of the importance this measure has assumed here, the Tehran Times last week put on page one a story telling how Islamic guerrillas in neighboring Afghanistan blew up a truck carrying vodka to Soviet occupation troops in Herat.

At the same time, Iranians reported that Christians in Iran have received authorization to make their own wine and vodka. It can be consumed not only for religious services, they said, but also on social occasions inside their homes.

"Before the revolution, people drank outside their homes and prayed inside," goes a joke. "Now they pray outside their homes and drink inside."

The changes have been serious as well, however, and they have raised strong doubts in the minds of many Iranians, particularly as the war with Iraq drags on.

With komish members ready to report on what they hear, several Iranians met by chance were eager to share these doubts, but only after moving out of hearing range of others.

"In every cemetery you see hundreds and thousands of graves," said a student at Tehran University who previously had studied in the United States. "In any country, if you want to build the country and all these young men die, what will happen? We are spending our money and our youth."

Diplomatic sources said the high casualty count after last winter's assault on Iraqi forces near Basra particularly shook many families whose sons had gone to the front as *bashtis*, or volunteers. According to

one count, up to 50,000 Iranian youths were killed or wounded out of 100,000 dispatched to the region. Because of a drop in the number of volunteers since then, the Revolutionary Guards organized special brigades this spring to improve government services to the families of those who volunteer for the front, a diplomat said.

Despite the doubts, the fervor of Islamic and revolutionary revival continues to be the strongest force at the command of Ayatollah Khomeini's government, diplomats pointed out.

The killings at Mecca on July 31, for example, became a focal point for popular rallies and speech-making against Iraq, Saudi Arabia and the United States for several weeks.

Several diplomats suggested Iranian leaders have deliberately used such controversies as the Mecca killings to whip up popular support that otherwise could flag under pressure from war casualties and economic hardships.

"They have to do something from time to time, apart from the war, to keep people alert on the revolution, to keep the thing alive," said one.

But for what diplomats said still appears to be a majority of Iran's 45 million inhabitants, particularly in the less-developed countryside, the combined forces of religion and revolution have retained the ability to mobilize.

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

In a poor suburb of Tehran, for example, a shopkeeper named Hussein spoke of Hashemi Rafsanjani, the fiery speaker of Iran's Majlis, or parliament.

"You can just listen to Rafsanjani in the Friday prayers," he said, "and that is what I think."

FOR YOUR STATESIDE BOOK NEED, write or phone BOOK CALL, c/o New York Times, 212 512-2000, New York, N.Y. 10036. USA. 212 512-2000. Mail order welcome.

PEN PALS
HAVE A FRIEND CLUB. Write: 105 Brixton, T.M.J., P.O., Canada 139 1A7.

FOR SALE & WANTED
VARIOUS OFFICE furniture & equipment for sale. Tables, desks, chairs, bookshelves, etc. Call: 212 512-2000. New York, N.Y. 10036. USA. 212 512-2000. Mail order welcome.

ANTIQUES
FOR SALE. MOONPHASE watch. 18ct gold, rarity. Tel: 0041/1-242854.

PLACE Your Classified Ad Quickly and Easily
in the
INTERNATIONAL HERALD TRIBUNE

By Phone: Call your local IHT representative with your text. You will be informed of the cost immediately, and once prepayment is made your ad will appear within 48 hours.

There are 25 letters, signs and spaces in the first line and 36 in the following lines. Minimum space is 2 lines. No abbreviations accepted. Credit Cards: American Express, Diner's Club, Eurocard, MasterCard, Access and Visa.

HEAD OFFICE
Paris (for classified only): (1) 46.37.93.85.

EUROPE
Amsterdam: 26-36-15.
Athens: 361-8297/360-2421.
Brussels: 34-1899.
Copenhagen: 451 42 92 25.
Frankfurt: 069/72-67-55.
Helsinki: 647-12.
Interfax: 145 26 87.
Lisbon: 351-26-94.
London: 07-529-6246-44.
Luxembourg: 011 834-4602.
Madrid: 455-2891/455-3306.
Milan: 54057-3.
Moscow: 007 272 7212.
New York: 212 512-2000.
Rome: 67-3427.
Tokyo: 03-556-557.
Tel Aviv: 03-455 537.
Vienna: 0224 666 666.

UNITED STATES
Chicago: 312 446-8764.
Houston: 713 627-9930.
Los Angeles: 213 650-8339.
New York: 212 512-2000.
Tel Aviv: 03-455 537.
San Francisco: 415 394-8339.

SOUTH AFRICA
Brynston: 706 14 08.

HOTELS
19th CENTURY KURHAUS HOTEL.
Old world style, new world comfort.
Delicious meals & suites. Karaoke, TV, internet, sauna, whirlpool, right on the lake. 24-hour service. Tel: 052 250 5025. Fax: 052 250 5025. P.O. Box 5025. Tel: 052 250 5025.

SWITZERLAND
LUCERNE GRAND HOTEL EUROPE
has vacancies. Free parking. Tel: 041 30 11 11. Tel: 041 30 11 11.

ESCORTS & GUIDES
FYCATCHERS LONDON ESCORT SERVICE. Tel: 01 519 3522.
FRANKFURT NIMBLE ESCORT SERVICE. Tel: 069 94 48 75 or 94 48 76.
DUSSeldorf - KOBLENZ - ZURICH - a/cro. Travel and Escort Service. Credit Cards. Tel: 0211 34 04 00.

• ZURICH • CAROLINE ESCORT and guide service. Multilingual. Tel: 025 61 74.
MADRID IMPACT ESCORT and guide service. Multilingual. Tel: 91 412 574.
GENEVA ESCORT SERVICE. Tel: 022 574 574.

LONDON ESCORT AGENCY. Tel: 735 3329.
FIRST CLASS PENSION (Leaving) Escort Service. Tel: 01 262 1402.
VIENNA YOUNG ESCORT SERVICE. Tel: 01 33 37.

TOKYO ESCORT / GUIDE SERVICE. Tel: 351 72 72.
LONDON ONLY JAPANESE ESCORT SERVICE. Tel: 01 370 0334.
LONDON ORIENTAL GUIDE and Escort Service. Tel: 01 584 7210.
LONDON & HEATHROW ESCORT Service. Credit cards. Tel: 747 3062.

FRANKFURT - COMPANION ESCORT Service. Tel: 69 55 95.

FRANKFURT - UP-TO-DATE ESCORT Service. Tel: 069 95 55 95. Every day.
AMSTERDAM 2000 ESCORT Service. Tel: 020 511020.
FRANKFURT - TOP TYPING ESCORT Service. Tel: 069 55 55 55.

NEW YORK-LADY CHRISTIAN ESCORT Service. Tel: 212 996-2527.
GENEVA DANCY ESCORT SERVICE. Tel: 022 574 574.

LONDON - CHERRY SWEDISH Escort Service. Tel: 020 574 574.
LONDON ISABELLE French speaking Escort Service. Tel: 020 574 574.

AMSTERDAM - S.M.E. ESCORT and Guide Service. Tel: 20 574 574.
HAMBURG - ROYAL ESCORT Service. Tel: 040 554145.

MURICH • REMINDER • ESCORT and Guide Service. Tel: 011 352 0498.
BRUSSELS NEW MARISSE ESCORT and Guide Service. Tel: 022 574 574.

FRANKFURT + AREA Christiana Escort Service. Tel: 069 55 55 55.
MADRID - ESCORT & Guide Service. Tel: 91 412 574.

United Nations spokesman said that a UN soldier was killed and three were wounded Tuesday when unidentified attackers fired at their jeep in an ambush in southern Lebanon, the Associated Press reported from Tyre, Lebanon.

Arab League Pressures Iran on UN Truce Effort

Compiled by Our Staff From Dispatches

TUNIS — Arab League foreign ministers agreed Tuesday at a special meeting to reconsider the status of their diplomatic ties with Iran if the country does not accept the United Nations call for a cease-fire in the Gulf War by Sept. 20.

Cheddi Klibi, secretary-general of the 21-member league, said a break in relations between Iran and Arab states could not be ruled out if Tehran did not respond.

Two Arab League members, Tunisia and Mauritania, have already severed ties with Iran.

The resolution that the ministers adopted, backed by Syria, Algeria, Oman and the United Arab Emirates and prepared by a committee that included Mr. Klibi, was a watered-down version of a measure urged by Saudi Arabia and Kuwait that would have demanded an immediate break with Iran and threatened sanctions.

Mr. Klibi said the ministers decided to allow Tehran to reconsider its apparent rejection of the UN Security Council resolution calling for a cease-fire.

He said the Sept. 20 deadline coincided with the annual session of the UN General Assembly, by which time the UN secretary-general, Javier Perez de Cuellar, is expected to have completed consultations with Iran.

In the Gulf, meanwhile, a dust haze helped cloak the movements of a convoy of U.S.-escorted Kuwaiti tankers that was reported to have entered the waterway, shipping executives in Bahrain said.

They said visibility was down to half a mile (800 meters).

Officials of the Kuwait Oil Tanker Co., which operates the tankers sailing under the U.S. flag, have denied that a new convoy is in the Gulf.

The U.S. Navy, which escorts the refueled tankers, does not report the movements of its ships.

The shipping sources said Monday that 3 tankers, the last of 11 scheduled to be refueled, had

steamed through the Strait of Hormuz into the Gulf.

The executives said the convoy included the 290,000-ton oil tanker Middleton, the 81,300-ton Surf City and the 80,000-ton Chesapeake City. But the Kuwaitis denied this, and other sources said there was doubt about the identity of the ships.

"Whether we have a new convoy moving or not, and with the weather as it is, it's all helping the U.S. Navy spread confusion, which is the way it now wants the export operations to continue," a Dubai-based shipping executive said.

In London, the foreign secretary, Sir Geoffrey Howe, said Britain had not changed its policy against refueling tankers. And the Royal Navy, he said, is not extending its patrol to the northern part of the Gulf.

Sir Geoffrey spoke in television interviews after a U.S. State Department spokesman, Phyllis Oakley, said at a briefing Monday that Britain was refueling a Kuwaiti vessel and that the United States welcomed the action.

The State Department later issued a clarification, acknowledging that Britain considered refueling an administrative matter not subject to government approval.

Meanwhile, the wife and infant son of a French diplomat arrived Tuesday in Paris from Tehran, but the diplomatic impasse between France and Iran continued. The two countries broke diplomatic relations July 17.

Estelle Torri and her nine-week-old son were welcomed by French officials at Orly Airport.

Paul Torri, first secretary at the French Embassy in Tehran, remained at the compound, which continued to be blockaded by Iranian authorities intent on keeping French diplomats in Tehran.

A police car drove around the French Embassy in Paris, where embassy personnel have stayed for more than a month.

(AP-UPI)

Soviet Blames Protests In Baltic States on West

By Bill Keller

NEW YORK Times Service
MOSCOW — The Soviet press has mounted an unusually bitter attack on Western radio stations for their role in publicizing nationalist demonstrations Sunday in the Soviet Baltic republics.

In a weeklong stream of press and television reports, Soviet officials have accused "Western radio voices" beamed into the three republics — Lithuania, Latvia and Estonia — of instigating the demonstrations. The officials called the broadcasts a direct interference in the Soviet Union's domestic affairs.

Western broadcasters and organizers of the protests acknowledged that foreign radio played a central part in publicizing the demonstrations, which marked the 48th anniversary of the secret pact between Hitler and Stalin that ceded the three Baltic countries to the Soviet Union.

Justifying foreign broadcasts has been sharply reduced under Mikhail S. Gorbachev's policy of *glasnost*, or openness. The broadcasters say they are filling a gap in glasnost by providing an outlet for dissident views that out of the official press.

By all accounts, foreign broadcasts, especially programs of Voice of America and Radio Free Europe in the Baltic languages, were instrumental in turning out demonstrators in the capitals of the three republics.

"It's hard to say for sure, but I don't believe it would have been possible" without Western radio, said Janis Rozkalns, an organizer of the demonstration in Riga, the Latvian capital. He estimated that

more than 5,000 people attended the event.

"Without the Western radio, we might have had 100 or 200," he said.

Jaak Juriado, who works for an Estonian émigré group based in Stockholm, said, "Those who want to arrange a demonstration don't have any possibility to get out their information, so, of course, the role of the radio is very big."

Estonian dissidents said the event drew 2,000 people. In Vilnius, the Lithuanian capital, more than 500 demonstrated.

Organizers of the protests began putting out word of their plans about two weeks ago through such émigré contacts as Mr. Juriado and Western news agencies. Advance news was broadcast repeatedly last week on the Voice of America and Radio Free Europe.

Peter Aizupis, a writer and broadcaster for the Latvian service of the Voice of America in Washington, said the service broadcast interviews with Roland Skrampe, a dissident who was expelled from Latvia in July and who called for protests in Riga.

"The demonstrations are not manufactured by us," Mr. Aizupis said. "We were just, in effect, allowing the organizers and people connected to have a forum which they would not have otherwise."

Similar reports were broadcast by the Voice of America's Lithuanian service and the Vatican radio into heavily Catholic Lithuania.

Soviet officials saw the broadcasts as a deliberate effort to fan separatist feelings in the Baltic republics. The United States has never recognized Soviet sovereignty over them.

MANILA: Aquino Losing Control

(Continued From Page 1)

said Aurelio Periquet Jr., president of the Philippine Chamber of Commerce and Industry.

"The apprehension is that they're increasingly infiltrated" by the Communists, he said, "and that the government is unable to do anything about them."

Poultry prices have doubled in the Manila area as a result of job actions, and the cost of dried milk has gone up 25 percent. Both are staples of the local diet.

Independent analysts believe the aim of the labor movement's most militant organizers is to alienate consumers from the Aquino government and discourage foreign investors. There are clear signs of success in both cases, these analysts say.

Analysts also say strike patterns suggest a systematic effort on the part of organizers who represent small minorities at workplaces drawn into disputes. Labor unrest over the past year has affected handling of the nation's exports in several areas, including the Bulacan region north of Manila and the southern city of Cebu.

Regardless of the motives behind the unrest, many employers have made the problem worse by continuing practices tolerated under Mr. Marcos. Less than half of the companies based in Manila pay the daily minimum wage of 57 pesos (\$2.78), according to Labor Department officials.

ARTS / LEISURE

'White Hope' Is Revived At Mermaid

By Sheridan Morley
International Herald Tribune

LONDON — Howard Sackler's Pulitzer Prize-winning "The Great White Hope" was back in 1967, the play that made a star of James Earl Jones on Broadway and later on film. Its first West End production, by Nicolas Kent for the Royal Shakespeare Company at the Mermaid, suffers faintly from the lack of a correspondingly

play works well enough as a serious comedy of appalling manners, even though it occasionally seems as though the author has something more sociologically ambitious in mind.

He has telescoped into a single frantic night 10 years of English history, the decade from 1732 that saw the publication of Hogarth's "Harlot's Revenge," the passing of the Copyright Act for which he fought to insure his own wealth, and the establishment of the lord chamberlain as theatrical censor, an act which drove Hogarth's friend Henry Fielding away from plays and toward the more subversive possibilities of a novel.

THE LONDON STAGE

flamboyant central performance. Hugh Quarshie, who created the role of Jack Jefferson (in reality the first black heavyweight champion of the world, Jack Johnson) in the original London staging by the same director at the Tricycle Theatre two years ago, is essentially a company man content to take his place at the head of a cast of 30, but also content to let the play stand or fall on its own merits rather than those of its leading man.

And Sackler's play does have its problems, not least a sketchy plot spread over 18 scenes and a second-half travesty which drifts around the world much like his hero, gradually losing all purpose and energy. The story of Johnson's rise and fall in the years surrounding World War I is seen through the racial perspective of the 1960s; the central issue here is how the white community in the United States and even abroad reacted with horror and then to revenge to the idea that a black could beat the hell out of a boxer from a supposedly superior race.

When Johnson came to London in 1911, only a few months after his victory but already at the start of an increasingly disastrous exile, the chairman of the local boxing authority declared that "the sight of a black man pounding a white man is far from attractive and cannot be considered public entertainment."

At home his championship was regarded as little short of an incitement to black rebellion, hence the frantic search for a "great white hope" to take the title back. Sackler tells us that tale in the manner of a historical pageant, telescoping Johnson's private life into encounters with one angry black mistress (Valerie Buchanan) and one suicidal white woman (Jill Baker) while allowing us to hear from various white promoters and FBI agents the fears caused by Johnson's refusal to toe any marital or social lines that might have made him acceptable to the whites.

Charges of transporting minors across state borders were soon trumped up, and the champion was rapidly made over into a criminal outcast, one who lived on until 1946 but largely as a vaudeville exhibit.

We are however never allowed to know what Johnson himself thought of his treatment, never given any real insight into an evidently complex and self-destructive figure. Just as the only fight we ever see is Johnson's fight for survival. For all that, the "Great White Hope" now joins "They Shoot Horses, Don't They?" as a welcome addition to what should perhaps be known as the RSC's anti-American season at the Mermaid.

Elsewhere, it is proving an artistic summer for the London theater. Last week, a life of Augustus John; this week, William Hogarth. In the Barbican Pit from Stratford, Nick Dear's "The Art of Success" has already attracted a certain amount of critical flak for its portrait of Hogarth as an 18th century time-serving, money-grubbing hack instead of a great radical social commentator. But on its own terms the

play works well enough as a serious comedy of appalling manners, even though it occasionally seems as though the author has something more sociologically ambitious in mind.

He has telescoped into a single frantic night 10 years of English history, the decade from 1732 that saw the publication of Hogarth's "Harlot's Revenge," the passing of the Copyright Act for which he fought to insure his own wealth, and the establishment of the lord chamberlain as theatrical censor, an act which drove Hogarth's friend Henry Fielding away from plays and toward the more subversive possibilities of a novel.

At first, it looks as though we may be in for nothing more than a kind of Ken Russell hatchet job, setting out to prove that Hogarth was indeed a nasty little opportunist with some decidedly kinky sexual tastes; but soon enough, Dear throws us up against a ritual discussion about whether art is property or communication, and whether

Hogarth has any right to the title of artist at all. "What cathedrals? What frescoes? Any hack can do titchy portraits." Framing this discussion is a violent and bloody play about sexual and social appetites, one that holds together well enough until the interval but then begins to fall apart as its many themes collide in a frantic black farce involving Prime Minister Walpole and his insatiable Queen Caroline, assorted harlots, and the murderous Hogarth was sketching on the night before her execution but who now has escaped to get her drawing back since she reckoned it an unfair likeness.

Dear has a good sense of irony ("I got a Titian for £2," boasts Walpole, "and already it is worth twice that") and a strong sense of theater, but Adrian Noble's production on a raised platform of blood and mud cannot altogether overcome the ultimate lack of organization, despite strong performances from Michael Kitchen as Hogarth and Niamh Cusack as his increasingly disenchanted wife.

Upstairs on their main Barbican stage, the Royal Shakespeare Company has a drastically recast, re-



Niamh Cusack and Penny Downie in "The Art of Success."

vised and reconsidered "Midsummer Night's Dream" also coming in from last summer at Stratford. But for London, the director Bill Alexander has decided to strip away William Dudley's massively and intricately ornate woodland setting, resulting in such a bare stage that the designer has understandably had his name removed from the program, leaving us with a credit for the lighting man (Mark Henderson) in whose spotlight the lovers and fairies alike make their way through the surrounding darkness.

But this remains an oddly confused and indeterminate production, full of good ideas leading nowhere very much and still lacking any overall sense of direction. It opens in what looks like a chic hotel corridor of the 1920s, with men in military evening dress

clutching cigarettes and a Thesaurus-Hippolyte couple who look as if they are going into a tour of "Private Lives" for the summer, instead of the enchanted forest where (in one of the director's best notions) we find Bottom and his rustic players as the members of some appalling avant-garde theater group of the 1950s as they consider the hidden meaning of a play about a cowardly lion and a wall with a chick in it.

Then we have an angry, elfin Puck (Nicholas Woodeson, the holy fool from the RSC Chernobyl play "Sarcophagus") and an Oberon (Gerard Murphy) who in moments of crisis goes into a remarkably accurate parody of Ralph Richardson, plus four young lovers who seem to have drifted in from a Virginia Woolf novel. Precisely how all of this is meant to work its

way into a coherent view of Shakespeare's overly revived pastoral is not entirely clear. The original idea of having the same actor double Hippolyte and Titania, so that the whole affair might have been her dream from the outset, has also been abandoned somewhere along the road from Stratford, as have all the original principal players except Murphy and Woodeson and Amanda Harris as a tough little Hermia.

It might therefore have made more sense to abandon the production as well, and start on a quite different play rather than one which now looks like a low-budget J.M. Barrie. To have Oberon and Titania flying around the Barbican roof is picturesque but they, like the rest of the cast, seem to have no very firm plan beyond hanging about a bit.

Ovations for 'Ermione' At the Rossini Festival

By William Weaver

PESARO, Italy — The growing of the Rossini Opera Festival here in the composer's birthplace makes almost everything that is presented an automatic news event as well as a cultural occasion.

For the opening last weekend of "Ermione," last staged in 1819, the capacity audience included not only critics and musicologists from all over the world, but also a sizable representation from Italian industry, finance, politics, and films. Television cameras rolled both inside and outside the lovely Teatro Rossini (this year, blissfully cooled). Tickets were priced at a stiff 250,000 lire (about \$190), but none had been available for months.

Despite its long absence from the stage, "Ermione" was not entirely unknown. A concert performance in Siena 10 years ago, though barely adequate, had given some idea of the opera's qualities, and a later concert performance led to a premiere recording and further acquaintance. Still, some music lovers in the Pesaro audience — after the dazzling "Viaggio a Reims" of two years ago and the dramatically intense "Bianca e Faliero" last year — may have been surprised and even a bit put off by the cool austerity of "Ermione," derived from Racine's tragedy "Andromaque" and with some of its olympian elegance.

Enthusiasm, however, was not lacking, and there were long ovations after many individual arias. Such ovations are becoming a Pesaro tradition, and they generate a welcome excitement. Only Montserrat Caballé, in the fiendish title

role, encountered some hostility in the second act, but the demonstration seemed so obviously, and clumsily, organized that it proved counterproductive. It sparked another ovation and it also invigorated the soprano, who then sang her grand scena with unusual intensity.

An introspective opera, "Ermione" has an unusual structure. All the main characters are loved, but none by the right person. So there is no room for a love duet, and the heroes and heroines — usually less than heroic — spend much of their time warding off unwanted attentions. There is a certain sameness about the music, appealing and ingenious as much of it is.

No one could complain about the casting, which supported Caballé with Marilyn Horne, Chris Merritt and Rockwell Blake, and yet the very presence of these superstars led to an emphasis on singing at the expense of interpretation. Indeed, the emphasis often seemed to be on high notes, which were belted out in abundance, though not always pleasantly (Merritt, in particular, tended to bleat).

With singers who are not agile actors, the director, Roberto de Simone, was not able to invent much. A lot of the story unfolded with the principals sitting down. Enrico

Job's costumes (chastables for the principals, Napoleonic period for the chorus) were not much help, and his sets were downright awkward. (It was cruel to make Caballé descend so many steps). Gustav Kuhn's conducting was rather uninflected.

If "Ermione" caused some puzzlement, there was unanimous joy over the festival's other opera, "L'occasione fa il ladro," an early (1812) one-act farce, conducted with enchanting brio by Salvatore Accardo, with the splendid Orchestra Giovanile Italiana (impressive also in "Ermione"), and a brilliant cast headed by Luciano Serra, who used her svelte coloratura to delightful effect. Claudio Desderi, in a Leporello-like servant role, was in excellent, witty voice, as were the others. Jean-Pierre Ponnelle's staging was inventive and enjoyable, with only an occasional excess.

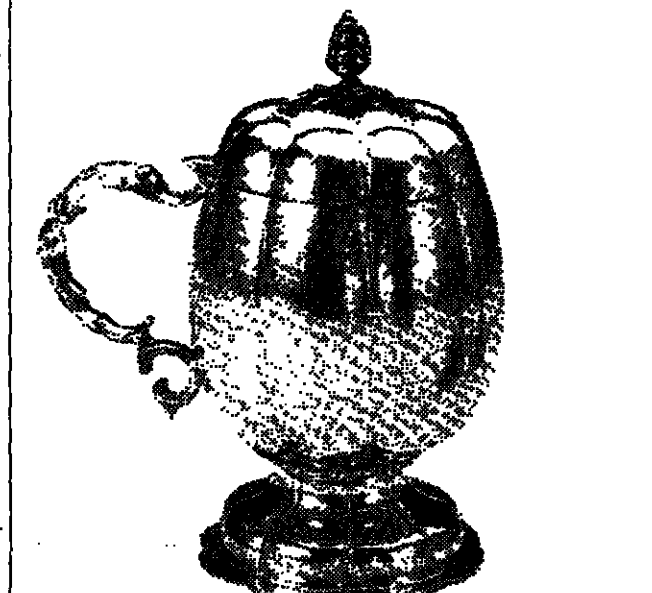
The festival continues through Sept. 7, with concerts and performances of Rossini's Stabat Mater and Petite Messe Solennelle. Whatever you can see, Pesaro — the town as well as the music — is worth visiting.

William Weaver is a writer and translator who lives in Italy.

SOTHEBY'S

FOUNDED 1744

AUCTIONS IN GENEVA



A German parcel-gilt tankard, Frederick Friedrichsen, Hamburg, 1854-71. 49cm., 18.5cm high. Sold in Geneva in May 1987 for SF 52,800.

Our experts will be available on the following dates to give advice and accept entries for our sales in Geneva, 9th-12th November 1987.

European Silver, Gold Boxes, Russian Works of Art and Fabergé

Brussels Monday 7th and Tuesday 8th September
Frankfurt Monday 31st August
Geneva Monday 14th September
Gothenburg Thursday 27th August
Hamburg Friday 28th August
Helsinki Thursday 27th August
Cologne Tuesday 1st September
Monte Carlo Friday 11th September
Munich Wednesday 2nd September
Paris Wednesday 9th and Thursday 10th September
Stockholm Wednesday 26th August
Vienna Thursday 3rd and Friday 4th September
Zurich Tuesday 15th and Wednesday 16th September

Jewellery

Brussels Wednesday 9th and Thursday 10th September
Copenhagen Wednesday 2nd September
Frankfurt Tuesday 8th September
The Hague Monday 14th September
Hamburg Wednesday 9th September
Cologne Monday 7th September
Lausanne Friday 11th September
Lugano Tuesday 1st September
Monte Carlo Wednesday 16th and Thursday 17th September
Munich Friday 4th September
Oslo Friday 4th September
Paris Monday 14th, Tuesday 15th and Wednesday 16th September
Stockholm Thursday 3rd September
Tel Aviv Sunday 13th to Wednesday 16th September
Vienna Thursday 3rd September

Wristwatches and Pocketwatches

Brussels Thursday 10th September
Frankfurt Tuesday 8th September
Hamburg Wednesday 9th September
Lausanne Friday 11th September
Lugano Tuesday 1st September
Munich Friday 4th September
Paris Wednesday 16th September

European Porcelain

Geneva Tuesday 1st to Friday 4th September

Enquiries and appointments:

32 rue de l'Abbaye, Brussels 1050. Tel: (2) 343 50 07
Bredgade 27, 1260 Copenhagen K. Tel: (1) 135556
Beethovenstrasse 71, D-6000 Frankfurt/M. 70. Tel: (69) 74 07 87
13 Quai du Mont Blanc, CH 1201, Geneva. Tel: (22) 32 85 85
Karl Gustavsgatan 30, 411 31 Gothenburg. Tel: (31) 16 31 96
Ballindamm 17, 2000 Hamburg 1. Tel: (40) 33 75 53
Nylandsgratan 14, 00120 Helsinki. Tel: (0) 646746
Kreishaus Galerie, St. Aemern-Strasse 17-29, D-5000 Cologne 1. Tel: (221) 23 32 84/5
Sporting d'Hiver, Place du Casino, MC 98001 Monaco. Tel: (93) 30 88 80
Odeonsplatz 16, D-8000 Munich 22. Tel: (89) 22 23 75/6
Björnsgränd 12, 0387 Oslo 3. Tel: (2) 147882
3 rue de Miromesnil, 75008 Paris. Tel: (1) 42 66 40 60
Arenasgatan 4, 111 47 Stockholm. Tel: (8) 101478/9
Palais Bräuer, Singerstrasse 16, 1010 Vienna. Tel: (222) 524772/3
20 Bleicherweg, CH-8022, Zurich. Tel: (1) 202 0011

"Ramada have renewed my appetite for business travel."



Ever since I discovered Ramada Hotels I've pitied the plight of the poor jaded traveller.

Here, at the end of a long hard working day, I'm welcomed as an honoured guest.

Here I can just relax in the lap of luxury, indulge myself in the sumptuous restaurant or refresh myself in the pool.

If I need to do business, all the facilities are at hand, from a pen to a conference room.

And if I want to be spoiled, the attentive, personal service is all I could ever wish for.

But although the service and facilities never vary in standard, every Ramada hotel is an original with a style and character of its own.

That's why when I am travelling on business, I always return to Ramada.

It's the next best thing to going home.

RAMADA INTERNATIONAL HOTELS

Ramada Renaissance Hotels
Alexandria, Brighton, Cairo, Cologne, Colombo, Düsseldorf, Geneva, Hamburg, Jerusalem, Karachi, Karlsruhe, Manchester, Open 1988: Barcelona.

Ramada Hotels
Bahrain, Brussels, Budapest, Dhofa, Dubai, Düsseldorf, Frankfurt, Gothenburg, Helsinki, Istanbul, Jeddah, Jönköping, Kuwait, Leverkusen, Liege, London, Ludwigshafen, Munich, Reading, Stuttgart, Tel Aviv, Venice, Open 1988: Madrid, Regensburg, Vienna.

Ramada Inns
Bombay, London, Open 1988: Sicily
600 Hotels in 30 Countries Worldwide

WORLDWIDE ENTERTAINMENT

What's the CRAZY HORSE?

A 15 minute revue with 15 live numbers on stage. A cast of 18 luscious dancing girls... Hay, dynamite! And 2 naughty acts. They'll kill you! +3 piece band!

SPECIAL YOUTH PRICE: under 26, a drink at the bar only 15p. Service 15% included.

Without a doubt the most voluptuous musical in the world say the critics.

12, Ave. George V 75008 Paris, France call 47 23 32 32 tel. 648 160

Dining Out	
DUSSELDORF The finest traditional Chinese cuisine TSE YANG Immermannstrasse 65 Reservations: 36 90 20/26 90 29 Paris, New York, Frankfurt, Geneva	PARIS 7th THOMAS, Specialties of the South-West. Confit de saumon & caviar au coque de crevette. C. Mouton. 27 rue St. Germain. Tel: (1) 47 05 49 75. Near Invalides Terminal.
FONTAINEBLEAU (50 km. from Paris) LE CADRAN BLEU Near to Chateau. Traditional cuisine. 4 menus F 45-59.90-70.80 and 1 gourmet menu F 170. Ambiance. Weekend 2 persons. Accept groups. 11 rue Grande. Tel: 01 52 20 46	PARIS 8th A decor and a Chinese cuisine unique in Europe LE JARDIN VIOLET 19, Rue Bayard - Air conditioning. Reservations 47 23 51 71
PARIS 2nd KITTY O'SHEA'S PUB Sister of the famous Dublin Pub located 30 yards from Place Vendôme. The French home of Irish Coffee and unadorned beers. Enjoy the unusual ambience and the crowd. Open 7 days. 10, rue des Capucines. Tel. 40 15 08 08	LE CHAMBERLAIN Near Crazy Horse, 11, Avenue formerly St. Louis and St. Charles. Argos offers a classical cuisine in refined setting. Private salon for business meals. M. F. 120. Open 10-11 p.m. 10, rue de Valenciennes. Tel. 47 23 53 53. C. Sat. noon and Sun.
JOHN JAMESON The first Irish pub in Paris. Smoked salmon spec. Menu for FF. 120. Open daily lunch & dinner. Ambiance. Reservations. 10, rue des Capucines. Tel. 40 15 08 08	PARIS 9th LE MEZEL Near Folies Bergères. First Kashmir Indian restaurant. Closed Friday evening and Saturday. noon. 16 rue Malet. Tel. 42 46 32 22
MELROSE Traditional French cuisine. Wine bar. Wine direct to vineyards. C. Sunday. Open all a.m. Average price 15-20 FF. 150 St. rue Montorgueil (N. Opéra). Tel. 42 61 21 71	PARIS 16th PRUNIER TRACTIR 16, rue Victor-Hugo, 75116 Paris. Tel. 45 00 87 12. Famous for its quality seafood and its 1925 setting. 350/400 FF. Closed Sunday & Monday.
PARIS 5th DIAPASON In an elegant and refined atmosphere, discover the creative cuisine of J.C. Olivier. Gastronomic menu at FF. 125. 30, rue de Beaumont. Tel. 45 54 21 13	LE PRESBOURG Treasures of the sea. Seafood, fish, crayfish, bag. conch. Near Ave. d'Orléans. Terrace. Menu at FF. 90 & à la carte. D. Open daily 1 a.m. 3 Ave. d'Orléans. Tel. 45 00 26 77
RAFFAÏN & HONORINE The American press has made us famous. Delicious specialties & traditional cooking. Beyond dishes - Lunch - express. 16 bd St. Germain. Tel. 45 54 21 13, Day.	LE BOUDDHA D'OR Facing the Eiffel Tower. Chinese & Thai gastr. Fine food in a refined atmosphere. Air cond. 6 Ave. New York, 40701. 45. Daily.

NYSE Most Actives					
Symbol	Vol.	High	Low	Last	Chg.
IBM	1,073	127 1/2	127 1/4	127 1/4	+1/4
AT&T	1,073	127 1/2	127 1/4	127 1/4	+1/4
GE	1,073	127 1/2	127 1/4	127 1/4	+1/4
Merck	1,073	127 1/2	127 1/4	127 1/4	+1/4
Amgen	1,073	127 1/2	127 1/4	127 1/4	+1/4
Amgen	1,073	127 1/2	127 1/4	127 1/4	+1/4
Amgen	1,073	127 1/2	127 1/4	127 1/4	+1/4
Amgen	1,073	127 1/2	127 1/4	127 1/4	+1/4
Amgen	1,073	127 1/2	127 1/4	127 1/4	+1/4

Market Sales					
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Index					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Closing					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Diary					
High	Low	Close	Chg.	Open	Prev.
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume	NYSE 4 p.m. volume

Dow Rebounds to New Record

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange rebounded Tuesday, after a rally by the dollar and U.S. Treasury bonds. The Dow Jones average of 30 industrial stocks set another closing record, rising 25.35 points to 2,722.42.

The dollar turned around following a string of losing sessions, and analysts said the improvement spilled over to the stock market. On Monday, stock prices fell partly because of the dollar's weakness.

Bond prices got a boost from a 1.5 percent drop in durable goods orders in July, announced Tuesday by the Commerce Department, and the stock market, which has paid close attention to the credit markets in recent months, interpreted the gain in Treasuries as another "buy" signal.

Advancing issues outpaced declining ones by 7 to 4, while volume totaled 213.48 million shares, up sharply from 149.35 million in the previous session.

The NYSE's composite index was up 1.72 points at 187.99. Stability in the foreign exchange and credit markets is "really all you need to coax money off the sidelines and into the stock market," said Hugh Johnson, senior vice president with First Albany Corp.

But Michael Metz, an analyst with Oppenheimer & Co., noting the relative narrowness between advancing and declining stocks, cautioned that the stock market was not as strong

as it might appear from the large gain in the Dow Jones industrial average.

And Mr. Johnson said much of Tuesday's stock activity came from individual traders looking to profit after the market's drop Monday, when the Dow lost 12.43 points.

Institutional investors were "still hovering around the periphery and don't quite know what to do," because they are still uneasy about the direction of the dollar and the economy, Mr. Johnson said.

Among the best-performing stocks were tobacco stocks, which soared after a federal appeals court ruled that warnings of the hazards of smoking on cigarette packs are sufficient to protect tobacco companies from lawsuits stemming from smokers' sickness or death.

Philip Morris gained 6 1/2 to 119.4 and RJR Nabisco 3 1/2 to 69. Both have advanced sharply since the court ruling last Friday.

IBM fell 2 1/2 to 172. Kidder Peabody lowered earnings estimates and removed the stock from its selected stock list. One analyst, William Easterbrook, said profit margins are not showing as much improvement as expected, and he expressed concern about revenue growth from new products next year.

Mr. Easterbrook also reduced the rating of Cray to a hold from a buy, primarily because margins are under pressure. Cray, however, gained 2 1/2 to 118.

Semiconductor stocks jumped. Texas Instruments gained 3 1/2 to 76 and Motorola 2 1/2 to 69.4.

(A.P. Reuter)

12 Month High	Low	Stock	Div.	Yld.	P/E	52 Wk High	Low	Close	Chg.
127 1/2	127 1/4	IBM	3.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	AT&T	2.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	GE	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Merck	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4

12 Month High	Low	Stock	Div.	Yld.	P/E	52 Wk High	Low	Close	Chg.
127 1/2	127 1/4	IBM	3.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	AT&T	2.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	GE	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Merck	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4

12 Month High	Low	Stock	Div.	Yld.	P/E	52 Wk High	Low	Close	Chg.
127 1/2	127 1/4	IBM	3.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	AT&T	2.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	GE	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Merck	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4
127 1/2	127 1/4	Amgen	1.00	4.0	12.0	127 1/2	127 1/4	127 1/4	+1/4

34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2	34 1/2	0
34%	34%	Chesapeake	1.00	3.3	11.5	34 1/2	34 1/2		

WEDNESDAY, AUGUST 26, 1987

Page 9

MADISON AVENUE

**Adventures in Advertising:
Pop-Ups to Jingles to 3-D**

By BRUCE HOROVITZ
Los Angeles Times Service

LOS ANGELES — When Transamerica Corp. insurance agents hand their business cards to clients later this month, a curious thing will happen. A miniature pyramid will pop out of the fold-up business cards. To be precise, a three-dimensional cutout of San Francisco's well-known Transamerica pyramid building will emerge.

This follows the company's highly successful advertising campaign that appeared as a pop-up ad in Time magazine last September. That \$3 million advertising insert featured a 9-inch (23-centimeter) pop-up picture of the building — and the rest of the San Francisco skyline. The pyramid on the look-alike card will be about 2 inches tall.

New wrinkles in print advertising are influencing companies to do far more than change their calling cards. Companies, once fascinated by the power of television to introduce new products or shape corporate images, are experimenting with new printing techniques now available in magazines. In the process, they are changing the way ads feel, smell, and even the way they sound.

When readers of the New Yorker and New York magazines open their December issues, they will be greeted by "singing" centerfold ads for Absolut vodka. These ads, with the aid of a special microchip, play seasonal tunes as "Jingle Bells," "We Wish You a Merry Christmas," and "Frosty the Snowman." The microchip — powered by a tiny battery — will automatically play when readers turn to the centerfold ad.

"Can you imagine being on an airplane when 30 people all open their copies of these magazines?" posed John B. Caldwell Jr., senior vice president of marketing for the New York-based Magazine Publishers Association.

BUT THAT is not the print industry's only song. Holograms — which produce three-dimensional images — will premiere in magazine advertising next year. At least four major advertisers plan to use holograms to sell their messages in magazines. "The public is bored with standard print advertising," said Lee Lacey, founder and chief executive of Holo-Source Corp., a Southfield, Michigan, company that specializes in holographic printing.

Last month, Mr. Lacey's company designed a hologram ad that features the new Lincoln Mercury car, the Merkur Scorpio. The laser photograph is printed on 175,000 cards mailed mostly to owners of expensive sports cars.

More pop-up ads are on the way, according to Waldo Hunt, chairman and chief executive of International Communications Inc., the Los Angeles company that created the Transamerica ad, but similar ads for Honeywell Inc. and Chrysler Corp.'s Dodge division. His company is creating two more pop-up ads — one that will run in October for a major bank and another scheduled for a Christmas release by a major liquor maker.

But Mr. Hunt, whose company also makes pop-up children's books, thinks that the big future for pop-up ads might not be in consumer magazines, but in business-to-business advertising in trade publications. "That's where an advertiser who wants to introduce something special can really dominate a publication," he said.

These ad innovations are not happening by accident. Magazines read by the general public have suffered a two-year slide in the number of advertising pages sold, said Mr. Caldwell of the Magazine Publishers Association. And in the first half of 1987, the number of magazine ad pages sold nudged up less than 1 percent, he said.

But new methods of innovative print advertising may help See POP-UP, Page 13

**Tunnel Finance Approved
\$5 Billion for Channel Project**

The Associated Press

LONDON — Eurotunnel announced Tuesday that a group of 50 banks had committed itself to a \$5 billion (\$8.1 billion) loan to the British-French consortium to partly finance the planned rail tunnel under the English Channel.

The loan was announced months ago but the last of the banks finally committed themselves this week, the British co-chairman of the project, Alastair Morton, said at a news conference.

Eurotunnel is a consortium of construction companies and banks building the tunnel, on which construction has begun.

Eurotunnel will not be able to draw on its credit until after completion of a \$750 million share issue scheduled for November.

Lead managers of the loan are Banque Indosuez, Banque Nationale de Paris, Credit Lyonnais, Midland Bank PLC and National Westminster Bank PLC. The lead banks are each committing \$170 million.

Within the past two weeks, Britain's other major banks have decided to join the syndication, Mr. Morton said. Barclays Bank PLC and Lloyds Bank PLC committed £128 million each and Standard Chartered PLC £60 million.

Credit National, a French government-owned long-term industrial investment bank, has joined and is underwriting \$60 million.

French and British banks account for about 15 percent each of the syndication. Japanese banks a little over 25 percent, West German banks about 12 percent, North American banks about 7 percent and Arab banks about 5 percent.

The \$5 billion loan is an 18-year credit with an interest rate of 1 to 1 1/4 percentage point over the London interbank offered rate, which now stands at between 7 1/16 and 7 1/8 percent.

Mr. Morton said Eurotunnel would seek to refinance the loan within two years of the tunnel's planned opening in 1993.



South Africa's gold-mining industry employs more than 300,000 black workers.

**South Africa Held by Chains of Gold
State's Power and Identity Is Linked to Mining Resources**

By Mark A. Uhlig
New York Times Service

NEW YORK — By withholding their labor from South Africa's gold and coal mines, members of the National Union of Mineworkers have focused their strength on the resources that have largely defined South Africa's place as a modern industrial state.

But the importance of minerals, especially gold, to South Africa's economic system also makes the strike dangerous, a consideration underscored by dozens of mine strikes the government has harshly suppressed during the last century.

Since gold was first discovered in the central Transvaal region in 1884, it has dominated the country's economic life.

South Africa produces more than two-thirds of all the gold mined yearly in the noncommunist world, and the country's gold reserves are believed to account for roughly half of the recoverable gold that exists in the world.

Despite government attempts to diversify South Africa's economic base, gold sales still account for nearly 60 percent of foreign earnings, and fluctuations in gold prices still have a large effect on the overall economy.

Wealth from the mines has played a key role in integrating

South Africa with the world economy, lifting the country above the destitution of neighboring states. Gold has also protected the country from foreign economic pressure. When the shooting of unarmed blacks at Sharpeville in 1961 prompted a flight of Western capital, for example, the country's recovery was financed by

The mines have played a key role in lifting South Africa above the poverty of its neighbors.

The scale of the industry is enormous. The miners' union alone has more than 500,000 workers. The union has called out on strike some 300,000 of its members, principally targeting the country's largest mining and gold producer, Anglo American Corp.

From the start of the strike, the white government has promised not to interfere. But, if the past is any guide, the white government's reliance on gold earnings suggests that there will be a limit to its tolerance for strikes by blacks or whites.

A memorable example of this came in 1922, when the South African military was called in to put down a three-month strike by white gold miners in a fierce showdown that left 231 men dead and 567 wounded.

Any fears of an imminent crisis in South African gold deliveries have yet to be felt on world markets, where prices have remained soft despite the strike. But U.S. experts have estimated that South Africa now maintains just one month's worth of gold reserves, and the Labor Monitoring Group, an independent research organization in South Africa, has estimated that the strike has already begun costing the major mining companies as much as \$7.5 million a day.

Durables Orders In U.S. Dropped 1.5% in July

Compiled by Our Staff From Dispatches

WASHINGTON — Orders for U.S. durable goods fell 1.5 percent in July from the month before, the first decline since January, as demand slowed for transportation equipment and military items, the Commerce Department said Tuesday.

Orders for durable goods — items expected to last three or more years — dropped last month by \$1.7 billion to a seasonally adjusted \$107.5 billion.

The fall in July followed a revised increase of 2 percent in June. The June figure had originally been reported as a 1.6 percent gain.

Last month's drop was the first since January, when durable-goods orders plunged by 9.8 percent as automobile sales tumbled off after the new U.S. tax law took effect.

Changes in the law prompted many consumers to make big-ticket purchases before the end of last year. Orders for military goods fell 4.8 percent to \$10.1 billion, after a 12.4 percent increase a month earlier.

Even excluding the volatile military goods category, orders for du-

rable goods fell 1.2 percent in July. However, the key category of nonmilitary capital goods, which includes business investment in factory equipment, increased 1.6 percent in July after a 0.4 percent drop in June.

The overall July decline was led by a 5.7 percent drop in orders for transportation equipment, to \$27.2 billion. Slower demand for motor vehicles and parts, ships and tanks, more than offset an increase in orders for aircraft and parts.

Within the major industries, orders for electrical machinery fell 2.2 percent to \$19.2 billion, after climbing 7.2 percent in June. But orders for nonelectrical machinery rose 4.2 percent to \$18.2 billion, more than making up for a 0.9 percent decline in June.

(AP, UPI)

Homes Sales Edge Higher

The National Association of Realtors said Tuesday that sales of existing U.S. homes rose 0.9 percent in July from June, United Press International reported from Washington.

Reichhold Approves Higher Dainippon Bid

The Associated Press

NEW YORK — Reichhold Chemicals Inc. said Tuesday that it had agreed to a sweetened \$60-a-share buyout from Japan's Dainippon Ink & Chemicals Inc. in a cash transaction the companies valued at about \$600 million.

Dainippon had launched a hostile \$473 million takeover on June 25, but the Reichhold board had rejected the \$52.50 a share tender offer as inadequate.

But the board of Reichhold, a White Plains, New York-based producer of adhesives and polymers, unanimously approved the sweetened offer and indicated it would recommend that shareholders tender their stock to Dainippon.

Dainippon, one of Japan's biggest diversified chemical compa-

nies, already owns about 4.5 percent of Reichhold's 9 million common shares.

Trading in Reichhold shares was halted on the New York Stock Exchange before the merger announcement. The stock had been trading at \$57.625 a share, down 37.50 cents from Monday's close.

Dainippon, which had about \$2.6 billion in sales during the year ended March 31, is considered one of the more aggressive Japanese companies in acquiring U.S. companies.

Dainippon last year unsuccessfully bid for Sun Chemical Corp. before Sun merged with Chromalloy American Corp. Dainippon later acquired Sun Chemical's graphics materials group for \$550 million.

IF YOU PURSUE EXCELLENCE, ONLY ONE BANK CAN KEEP UP.

For Republic National Bank of New York, the relentless pursuit of excellence has achieved nothing less than excellent results.

Republic has grown to be the 11th largest bank in the United States, in terms of shareholders' equity.

outgrowth of the strong beliefs of its founder and principal shareholder, Edmond J. Safra. Republic is firmly committed to such sound, traditional banking practices as diversification

and the maintenance of a strong capital base. The bank has always been highly selective in lending. It emphasizes very conservative activities, investing in safe and liquid assets and using its extensive expertise to trade profitably in precious metals, foreign exchange, bonds and bank notes.

Underlying every aspect of Republic National Bank's pursuit of excellence is a single, fundamental principle: the protection of depositors' funds.

It should come as no surprise, then, that this pursuit of excellence results in considerable advantages to private banking clients, and the application of the very highest standards of excellence to the handling of

your personal finances. Republic's subsidiary in Luxembourg provides private banking clients with the protection of the stringent banking laws of that country, and experienced account officers who speak your language.

And Republic's expertise internationally allows you to take advantage of opportunities to better manage your investments on a global scale.

The pursuit of excellence is our commitment. If that is something you expect of your bank, call us today at our Luxembourg office (352) 470711.

REPUBLIC NATIONAL BANK OF NEW YORK

A SAFRA BANK

NEW YORK • MIAMI • LOS ANGELES • MONTREAL
LONDON • PARIS • LUXEMBOURG • MONTE-CARLO
MILAN • GIBRALTAR • GUERNSEY • HONG KONG
SINGAPORE • TOKYO • PANAMA • NASSAU • BUENOS
AIRES • SANTIAGO • MONTEVIDEO • CARACAS • MEXICO
CITY • PUNTA DEL ESTE • RIO DE JANEIRO • SAO PAULO

FIGURES AS AT DECEMBER 31, 1986:
TOTAL ASSETS:
US \$16.8 billion
SHAREHOLDERS' EQUITY:
US \$1.6 billion

Currency Rates

Cross Rates	Aug. 25	Aug. 24
Amsterdam	2.2055	2.2055
Brexit (sterling)	1.7525	1.7525
Frankfurt	1.2055	1.2055
London (dollar)	1.618	1.618
Madrid	1.618	1.618
Paris	1.618	1.618
Switzerland	1.618	1.618
West Germany	1.618	1.618
Yokohama	1.618	1.618

Other Dollar Values	Aug. 25	Aug. 24
Argentine peso	2.2055	2.2055
Australian dollar	1.2055	1.2055
Belgian franc	1.618	1.618
Canadian dollar	1.618	1.618
Chinese yuan	1.618	1.618
Dutch guilder	1.618	1.618
East German mark	1.618	1.618
French franc	1.618	1.618
Italian lira	1.618	1.618
Japanese yen	1.618	1.618
South Korean won	1.618	1.618
Spanish peseta	1.618	1.618
Swedish krona	1.618	1.618
Taiwan dollar	1.618	1.618
Thai baht	1.618	1.618
West German mark	1.618	1.618
Yugoslav dinar	1.618	1.618

Forward Rates	Aug. 25	Aug. 24
30-day	1.618	1.618
60-day	1.618	1.618
90-day	1.618	1.618
180-day	1.618	1.618
360-day	1.618	1.618

Sources: Reuters, Bank of America, Citicorp, Chase, etc. Rates are for New York. All rates are for 100 units of foreign currency per 1 U.S. dollar.

Interest Rates

Eurocurrency Deposits	Aug. 25	Aug. 24
1 month	6.75%	6.75%
3 months	6.75%	6.75%
6 months	6.75%	6.75%
1 year	6.75%	6.75%

Key Money Rates	Aug. 25	Aug. 24
3-month Treasury bill	6.75%	6.75%
6-month Treasury bill	6.75%	6.75%
1-year Treasury bill	6.75%	6.75%

U.S. Money Market Funds	Aug. 25	Aug. 24
Money funds	6.75%	6.75%
Money funds	6.75%	6.75%
Money funds	6.75%	6.75%

Asian Dollar Deposits	Aug. 25	Aug. 24
1 month	6.75%	6.75%
3 months	6.75%	6.75%
6 months	6.75%	6.75%
1 year	6.75%	6.75%

Gold	Aug. 25	Aug. 24
Gold	425.00	425.00
Gold	425.00	425.00
Gold	425.00	425.00

TI Group to Buy Houdaille of U.S.

By Warren Getler
International Herald Tribune

LONDON — TI Group PLC said Tuesday that it had agreed to buy Houdaille Industries Inc., owner of the world's largest manufacturer of mechanical seals, in a transaction valued at about \$500 million.

TI, a medium-size engineering and home appliances group, said it will pay \$112 million cash to acquire Illinois-based Houdaille, and also will assume \$388 million of Houdaille's debt.

TI said it is only interested in Houdaille's Crane U.S.A. unit, the mechanical seals unit.

Swedish Gas Group AGA Says Profits Increased 22% in Half

By Juris Kaza
Special to the Herald Tribune

STOCKHOLM — AGA AB, the Swedish-based industrial gas group, said Tuesday that earnings in the first half rose 22 percent to 540 million kronor (\$85 million), from 443 million kronor in the first half of 1986.

AGA confirmed an earlier forecast that earnings for all of 1987 after extraordinary charges would rise 15 to 20 percent from the 847 million kronor earned in 1986.

Sales were up 10.5 percent, to 5.06 billion kronor, from 4.6 billion kronor in the first half of 1986, AGA said. The sales figure included the 124 million kronor in revenues from a carbon dioxide producer acquired in late 1986.

Operating profit for the AGA group rose to 585 million kronor from 484 million kronor in the first half of 1986.

AGA's total steel operations said earnings fell to 48 million kronor from 59 million kronor a year before.

AGA's steel operations said earnings fell to 48 million kronor from 59 million kronor a year before.

Hanson Reports Profit Rose 43% in Last Quarter

Compiled by Our Staff From Dispatches

LONDON — Hanson Trust PLC, a conglomerate with interests in construction materials, tobacco and recreation equipment, said Tuesday that pretax profit for its third quarter rose by more than 43 percent to £205 million (\$337 million) against £144 million in the year-earlier period.

Overall sales declined 3 percent to £1.46 billion in the third quarter against £1.5 billion a year earlier. The company said that progress reflected in its first-half figures continued into the third quarter, with good performance from businesses in the United States and Britain.

Hanson's report Tuesday was the first time it has released third-quarter figures and was an effort to comply with U.S. practices. The company has acquired major U.S. interests in the past year.

The pretax profit of £205 million was broadly in line with investors' expectations. Hanson shares traded 0.5 pence higher at 190.5 pence.

The latest figures include results from Kaiser Cement Corp. of the United States, which Hanson bought for \$250 million last year. But figures for the previous year included only two months' results of Imperial Group PLC, which Hanson bought for £2.44 billion in April 1986.

Moody's Lowers Ratings of 4 Japanese Banks

Agence France-Press

NEW YORK — Moody's Investors Service Inc. said Tuesday it would lower the financial ratings of four large Japanese banks that had been under review for three months.

The credit-rating agency blamed the downgrading on changes in the Japanese financial system that were expected to have "a modest unfavorable impact on the banks' credit quality."

Moody's reduced the long-term debt and long-term deposit ratings of Bank of Tokyo from A-1 to A-2, of Long-Term Credit Bank of Japan from A-1 to A-2, of Dai-ichi Kangyo Bank from A-1 to A-2, and of Sanwa Bank Ltd. from A-1 to A-2.

Moody's also cut, to A-1 from A-2, the medium-term notes of Sanwa Bank Ltd. For Bank of Tokyo, Moody's cited intensifying worldwide competition.

Moody's said Mitsubishi Trust's continued expansion into international financial markets and its greater involvement in securities business is increasing the degree of risk that the bank faces.

The downgrading of Long-Term Credit Bank reflected uncertainty surrounding the future role of long-term credit banks in Japan's financial system, Moody's said.

Gillette Turns Down 3d Bid By Revlon, of \$5.41 Billion

New York Times Service

NEW YORK — Gillette Co.'s board has rejected Revlon Group Inc.'s unsolicited \$5.41 billion takeover offer and reiterated the company's intention to remain independent.

The directors' announcement on Monday came after the stock market closed. Officials at Revlon were not available for comment.

The rejection of the \$47-a-share offer marks the third time that Gillette has spurned Revlon's chairman, Ronald O. Perleman. In November, Revlon dropped a \$32.50-a-share, or \$4.12 billion, bid after Gillette agreed to buy Revlon's 13.9 percent stake in the company, giving Revlon a \$34 million profit. In June, Gillette rebuffed a sweetened Revlon bid of \$40.50 a share or \$4.66 billion.

Mr. Perleman's third offer came despite a standstill agreement reached between Revlon and Gillette in November. As part of that agreement, Revlon agreed not to purchase Gillette stock or to seek control of the company for 10 years.

Partly because of the nature of the standstill agreement, analysts had been skeptical that Mr. Perleman's latest offer would win much favor with Gillette.

Investors had also responded cautiously. After rising \$3 a share, to \$43.125, after Mr. Perleman's offer on Aug. 17, Gillette's shares have remained in a narrow trading range. The stock closed Tuesday at \$42.75, unchanged from Monday, on the New York Stock Exchange.

The latest bid also raised questions about other possible suitors. On Monday, USA Today's stock market columnist, Dan Dorfman, reported that two Minneapolis financiers, Irwin L. Jacobs and Carl R. Pohlad, might start a proxy fight or make a bid for Gillette.

Mr. Jacobs has acknowledged that he holds a substantial position in Gillette, but has declined to discuss whether he would seek to oust management in a proxy fight.

Mr. Perleman has good reason to hope that a potential buyer goes after Gillette. According to the standstill agreement, Revlon stands to make a huge windfall if Gillette is sold before Nov. 24. Right now, analysts say, that provision could be worth about \$400 million.

Hongkong & Shanghai Net Rose 17.9% in First Half

Compiled by Our Staff From Dispatches

HONG KONG — Hongkong & Shanghai Banking Corp. said Tuesday that net profit rose 17.9 percent to 1.41 billion Hong Kong dollars (\$180 million at current exchange rates) in the first half, from 1.2 billion dollars in the year-earlier period.

It credited the improvement, which surpassed the 1.3 billion dollars projected by many analysts, to the buoyant Hong Kong economy and the bank's overseas operations.

It said loan demand rose as the local economy strengthened. The bank said that Wardley group and James Capel Bankers, its merchant banking operations, turned in strong performances.

Total assets rose 8 percent to 801.1 billion dollars from the 1986 first half, the bank said. The bank said that it is still awaiting a response from Marine Midland Bank Inc. to its proposal to buy the 49 percent it does not yet own for \$70 a share.

As previously announced, the bank is treating Marine Midland's \$290 million second-quarter loss as an extraordinary item to be taken into the so-called inner reserves.

Marine Midland reported the loss after adding \$400 million to its loan-loss reserve to cover problem loans to Third World countries.

The bank announced a higher interim dividend of 12 cents a share, up from 11 cents a year ago. (Reuters, AFP)

U.K. Investors May Seek Control of Rorer Group

WASHINGTON — A shareholder group led by a British investor, Alan Clure, said Tuesday it holds 12.2 percent of health care products company Rorer Group Inc. and may seek control.

The value of the company's 21.89 million shares outstanding stood Tuesday at about \$1.13 billion at closing price on the New York Stock Exchange of \$51.75.

NEEDED IMMEDIATELY
ASSISTANT TO CHAIRMAN
OF AMERICAN COMPANY
to be based in Paris and Geneva. Candidate must be single, male, age 30-45, preferably with a business degree. Must be fluent in French and English, excellent typist, excellent health (frequent/overweight), of good character, serious and conscientious, and prepared to travel extensively. Position offers unique learning experience with opportunity for advancement and good salary.

Only persons meeting above requirements should apply. Please send your curriculum vitae and references to: Box D-191 Herald Tribune, 181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, FRANCE.

Japan Aid for BofA Expected

Reuters

TOKYO — Nine major Japanese banks are expected to agree to a meeting on Wednesday to participate in BankAmerica Corp.'s plan to raise capital, Japanese banking sources said Tuesday.

The banks will form a syndicate that will include other Japanese banks to buy \$250 million in subordinated capital notes that BankAmerica plans to issue, they said.

BankAmerica, the second-largest U.S. banking company, posted a loss of \$1.14 billion in the second quarter, more than double its loss of \$640 million a year earlier, largely because of its decision to set aside an additional \$1 billion to cover possible losses on loans to developing countries.

BankAmerica's vice chairman, Frank Newman, approached 23 Japanese banks in June with a request to raise \$350 million. This included a \$100 million preferred stock issue directed at around 40 Japanese insurance companies.

The sources said some banks had feared that participation could undermine their efforts to boost their own primary capital, but are now apparently ready to take part.

The coordinating banks and BankAmerica have agreed to improve the terms of the planned issue in an attempt to persuade reluctant banks to join. But the final terms are still subject to change, the sources said. The banks have not been named.

Practicing What He Teaches, Prof Bids for Duro

By Alison Leigh Cowan
New York Times Service

NEW YORK — A member of the Yale University faculty who teaches business students how to spot undervalued companies has made an unsolicited \$52 million takeover offer for Duro-Test Corp., a maker of long-lasting light bulbs.

William P. Lyons, an adjunct professor at both the business and law schools at Yale, said Monday that an investment group in which he has a majority interest had offered \$16 a share in cash for all of Duro-Test, whose stock was trading for less than \$15 earlier this month.

In a Securities and Exchange Commission filing, Mr. Lyons said he planned "to acquire the entire equity interest in the company."

His group already owns 399,600 shares, or 7.8 percent, of Duro-Test, for which it paid an average share price of \$12.99.

The stock was trading above \$20 last summer and on Monday the market quickly bid the stock past the proposed offer to \$16.875, up \$1.625, in trading on the American Stock Exchange. Duro-Test executives were unavailable to comment.

Mr. Lyons, 46, also runs a one-man investment banking firm in New Haven. It is that business that has enabled him to put up more than half of the \$5.2 million that his group paid for its stake in the company, though the shares were bought on margin.

He conceded that it was unusual for an academician to put his theories to the test in such a fashion.

Traders voiced some doubts about Mr. Lyons' experience and his financing. In his letter to Duro-Test, he said only that he had held talks with Chemical Bank's investment bankers and he "believes that such financing will be available."

"That's pretty weak," said one arbitrator who thought it was premature to make any bets on the stock. "Anybody can write that. It's not a buyer that strikes me as having a great deal of credibility."

But Mr. Lyons may find a warmer reception among shareholders who have lost faith in the company's management.

INTERNATIONAL BUSINESS OPPORTUNITIES

MARKETING IN SWITZERLAND

— Do you need contacts in Switzerland?
— Are you looking for new marketing opportunities?

We are in a position to introduce your company or products to the Swiss and international markets.

We have offices in GENEVA and LUGANO where you can meet your clients.

SOTRAMAR S.A.
1, rue de la Combe, CH-1260 Nyon - Switzerland.

Protected Off Shore Investment

offers
high tax free return on capital invested with Swiss bank
Banking absolute discretion
Write to Chiffre
22-115-664, Publicitas,
1002 Lausanne
Switzerland.

INTERNATIONAL BUSINESS OPPORTUNITIES

Appears every WEDNESDAY
To place your advertisement, contact our office in your country or:
Mr. Max Fazzaro,
International Business Opportunities
181 Ave. Charles de Gaulle,
92521 Neuilly Cedex, France.
Tel: 46-37-93-80
Telex 615596.

New Zealand Firm Launches Hostile Bid for Guinness Peat

Reuters

LONDON — Equiticorp Holdings Ltd., a New Zealand-based financial services company, said Tuesday that it has raised its stake in Guinness Peat Group PLC to 35.6 percent and plans to make a full bid valuing the British conglomerate at £338.4 million (\$552 million).

Guinness Peat, whose interests include merchant banking and the Irish-based airline GPA Group Ltd., said Tuesday that the Equiticorp offer was "wholly inadequate."

Guinness Peat, whose interests include merchant banking and the Irish-based airline GPA Group Ltd., said Tuesday that the Equiticorp offer was "wholly inadequate."

Mr. Hunt said Equiticorp has no plans to break up Guinness Peat, but that it is primarily interested in its corporate finance and lending operations. Guinness Peat's industry and geographical diversification was also attractive, he said.

Australian Firm To Buy Fluor Unit

Reuters

NEW YORK — Australian-based Dallhold Investments Pty. said Tuesday it had signed a definitive agreement to buy about 90 percent of St. Joe Gold Corp. and other gold properties owned by Fluor Corp. for \$500 million.

Dallhold holds the family interest of Alan Bond, the founder and chairman of brewing group Bond Corp. Holdings Ltd. Dallhold said it intends to retain St. Joe Gold's properties and to bring into early production additional mines in the United States.


Dallhold said it and associated companies produce more than 300,000 ounces of gold a year.

Weekly net asset value on 21-8-1987 U.S. \$7.89
Listed on the Amsterdam Stock Exchange

Information:
Persoon, Helderling & Pierson N.V.
Herengracht 214,
1016 BS Amsterdam.

This announcement appears as a matter of record only

US\$ 53,000,000



Ten-Year Installment Sale of One Boeing 747-271 C

The undersigned arranged the above transaction.

PaineWebber Incorporated

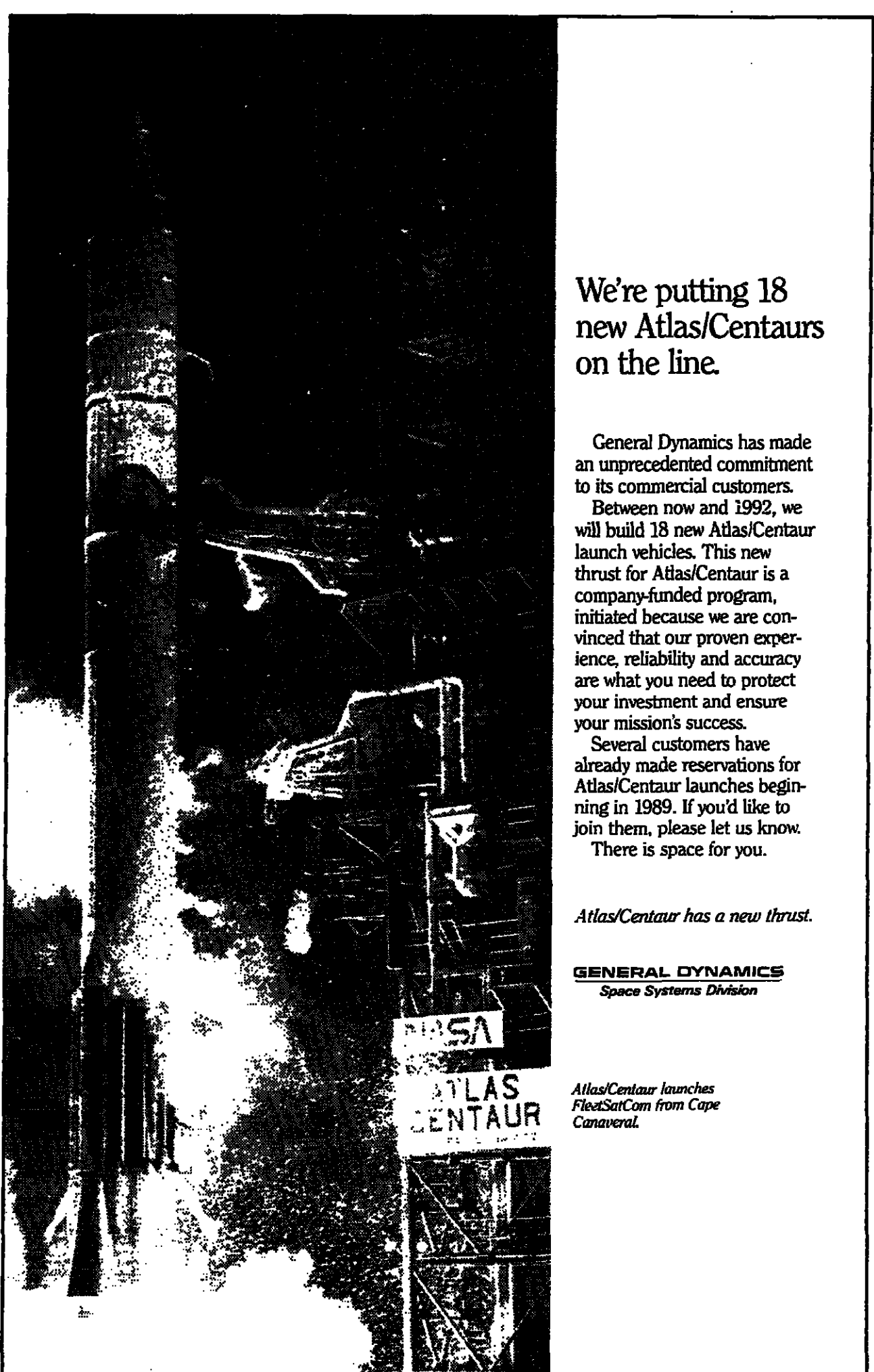
We're putting 18 new Atlas/Centaurs on the line.

General Dynamics has made an unprecedented commitment to its commercial customers. Between now and 1992, we will build 18 new Atlas/Centaur launch vehicles. This new thrust for Atlas/Centaur is a company-funded program, initiated because we are convinced that our proven experience, reliability and accuracy are what you need to protect your investment and ensure your mission's success. Several customers have already made reservations for Atlas/Centaur launches beginning in 1989. If you'd like to join them, please let us know. There is space for you.

Atlas/Centaur has a new thrust.

GENERAL DYNAMICS
Space Systems Division

Atlas/Centaur launches FleetSatCom from Cape Canaveral.



High		Low	Stock	Div	Yld	PE	52 100s		High	Low	Close	Qual.	Chge
A													

1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100																																																																																				

AL-MAL GROUP		INTERNATIONAL INCOME FUND		G.T. MANAGEMENT (UK) Ltd.		- (d) Swissair New Series		SF 40.25		29% 14% Hormel's		30 17 15		70 20 27%		4% 2 Nocti		9 4 5%		20 10 10	
(w) Al-Mal Trust S.A.	\$ 795.29	(d) Short Term 'A' (Accum)	\$ 145.18	(- (r) S.T. Applied Science	\$ 17.12	(d) Universal Bond Select.	SF 77.25	14% 10% Hormel's	30 17 15	70 20 27%	4% 2 Nocti	9 4 5%	20 10 10								
International Currency	\$ 911.52	(d) Short Term 'A' (Dist)	\$ 140.49	(- (d) Q. Asian H.K. Govt. Bd	\$ 34.92	(d) Universal Fund	SF 140.49	6% 10% Hormel's	30 17 15	70 20 27%	4% 2 Nocti	9 4 5%	20 10 10								

[illegible][illegible]

The Global Newspaper.

Floating-Rate Notes

Aug. 25

Irish/Mat.

Common Near Bid Ask

Dollars

Common Near Bid Ask

Algeria Phoenix Jun1	7.143	7.141	99.25
Algeria 1st Jun1	7.143	7.141	99.25
Algeria 2nd Jun1	7.143	7.141	99.25
Algeria 3rd Jun1	7.143	7.141	99.25
Algeria 4th Jun1	7.143	7.141	99.25
Algeria 5th Jun1	7.143	7.141	99.25
Algeria 6th Jun1	7.143	7.141	99.25
Algeria 7th Jun1	7.143	7.141	99.25
Algeria 8th Jun1	7.143	7.141	99.25
Algeria 9th Jun1	7.143	7.141	99.25
Algeria 10th Jun1	7.143	7.141	99.25
Algeria 11th Jun1	7.143	7.141	99.25
Algeria 12th Jun1	7.143	7.141	99.25
Algeria 13th Jun1	7.143	7.141	99.25
Algeria 14th Jun1	7.143	7.141	99.25
Algeria 15th Jun1	7.143	7.141	99.25
Algeria 16th Jun1	7.143	7.141	99.25
Algeria 17th Jun1	7.143	7.141	99.25
Algeria 18th Jun1	7.143	7.141	99.25
Algeria 19th Jun1	7.143	7.141	99.25
Algeria 20th Jun1	7.143	7.141	99.25
Algeria 21st Jun1	7.143	7.141	99.25
Algeria 22nd Jun1	7.143	7.141	99.25
Algeria 23rd Jun1	7.143	7.141	99.25
Algeria 24th Jun1	7.143	7.141	99.25
Algeria 25th Jun1	7.143	7.141	99.25
Algeria 26th Jun1	7.143	7.141	99.25
Algeria 27th Jun1	7.143	7.141	99.25
Algeria 28th Jun1	7.143	7.141	99.25
Algeria 29th Jun1	7.143	7.141	99.25
Algeria 30th Jun1	7.143	7.141	99.25
Algeria 31st Jun1	7.143	7.141	99.25
Algeria 32nd Jun1	7.143	7.141	99.25
Algeria 33rd Jun1	7.143	7.141	99.25
Algeria 34th Jun1	7.143	7.141	99.25
Algeria 35th Jun1	7.143	7.141	99.25
Algeria 36th Jun1	7.143	7.141	99.25
Algeria 37th Jun1	7.143	7.141	99.25
Algeria 38th Jun1	7.143	7.141	99.25
Algeria 39th Jun1	7.143	7.141	99.25
Algeria 40th Jun1	7.143	7.141	99.25
Algeria 41st Jun1	7.143	7.141	99.25
Algeria 42nd Jun1	7.143	7.141	99.25
Algeria 43rd Jun1	7.143	7.141	99.25
Algeria 44th Jun1	7.143	7.141	99.25
Algeria 45th Jun1	7.143	7.141	99.25
Algeria 46th Jun1	7.143	7.141	99.25
Algeria 47th Jun1	7.143	7.141	99.25
Algeria 48th Jun1	7.143	7.141	99.25
Algeria 49th Jun1	7.143	7.141	99.25
Algeria 50th Jun1	7.143	7.141	99.25
Algeria 51st Jun1	7.143	7.141	99.25
Algeria 52nd Jun1	7.143	7.141	99.25
Algeria 53rd Jun1	7.143	7.141	99.25
Algeria 54th Jun1	7.143	7.141	99.25
Algeria 55th Jun1	7.143	7.141	99.25
Algeria 56th Jun1	7.143	7.141	99.25
Algeria 57th Jun1	7.143	7.141	99.25
Algeria 58th Jun1	7.143	7.141	99.25
Algeria 59th Jun1	7.143	7.141	99.25
Algeria 60th Jun1	7.143	7.141	99.25
Algeria 61st Jun1	7.143	7.141	99.25
Algeria 62nd Jun1	7.143	7.141	99.25
Algeria 63rd Jun1	7.143	7.141	99.25
Algeria 64th Jun1	7.143	7.141	99.25
Algeria 65th Jun1	7.143	7.141	99.25
Algeria 66th Jun1	7.143	7.141	99.25
Algeria 67th Jun1	7.143	7.141	99.25
Algeria 68th Jun1	7.143	7.141	99.25
Algeria 69th Jun1	7.143	7.141	99.25
Algeria 70th Jun1	7.143	7.141	99.25
Algeria 71st Jun1	7.143	7.141	99.25
Algeria 72nd Jun1	7.143	7.141	99.25
Algeria 73rd Jun1	7.143	7.141	99.25
Algeria 74th Jun1	7.143	7.141	99.25
Algeria 75th Jun1	7.143	7.141	99.25
Algeria 76th Jun1	7.143	7.141	99.25
Algeria 77th Jun1	7.143	7.141	99.25
Algeria 78th Jun1	7.143	7.141	99.25
Algeria 79th Jun1	7.143	7.141	99.25
Algeria 80th Jun1	7.143	7.141	99.25
Algeria 81st Jun1	7.143	7.141	99.25
Algeria 82nd Jun1	7.143	7.141	99.25
Algeria 83rd Jun1	7.143	7.141	99.25
Algeria 84th Jun1	7.143	7.141	99.25
Algeria 85th Jun1	7.143	7.141	99.25
Algeria 86th Jun1	7.143	7.141	99.25
Algeria 87th Jun1	7.143	7.141	99.25
Algeria 88th Jun1	7.143	7.141	99.25
Algeria 89th Jun1	7.143	7.141	99.25
Algeria 90th Jun1	7.143	7.141	99.25
Algeria 91st Jun1	7.143	7.141	99.25
Algeria 92nd Jun1	7.143	7.141	99.25
Algeria 93rd Jun1	7.143	7.141	99.25
Algeria 94th Jun1	7.143	7.141	99.25
Algeria 95th Jun1	7.143	7.141	99.25
Algeria 96th Jun1	7.143	7.141	99.25
Algeria 97th Jun1	7.143	7.141	99.25
Algeria 98th Jun1	7.143	7.141	99.25
Algeria 99th Jun1	7.143	7.141	99.25
Algeria 100th Jun1	7.143	7.141	99.25

Algeria Phoenix Jun1	7.143	7.141	99.25
Algeria 1st Jun1	7.143	7.141	99.25
Algeria 2nd Jun1	7.143	7.141	99.25
Algeria 3rd Jun1	7.143	7.141	99.25
Algeria 4th Jun1	7.143	7.141	99.25
Algeria 5th Jun1	7.143	7.141	99.25
Algeria 6th Jun1	7.143	7.141	99.25
Algeria 7th Jun1	7.143	7.141	99.25
Algeria 8th Jun1	7.143	7.141	99.25
Algeria 9th Jun1	7.143	7.141	99.25
Algeria 10th Jun1	7.143	7.141	99.25
Algeria 11th Jun1	7.143	7.141	99.25
Algeria 12th Jun1	7.143	7.141	99.25
Algeria 13th Jun1	7.143	7.141	99.25
Algeria 14th Jun1	7.143	7.141	99.25
Algeria 15th Jun1	7.143	7.141	99.25
Algeria 16th Jun1	7.143	7.141	99.25
Algeria 17th Jun1	7.143	7.141	99.25
Algeria 18th Jun1	7.143	7.141	99.25
Algeria 19th Jun1	7.143	7.141	99.25
Algeria 20th Jun1	7.143	7.141	99.25
Algeria 21st Jun1	7.143	7.141	99.25
Algeria 22nd Jun1	7.143	7.141	99.25
Algeria 23rd Jun1	7.143	7.141	99.25
Algeria 24th Jun1	7.143	7.141	99.25
Algeria 25th Jun1	7.143	7.141	99.25
Algeria 26th Jun1	7.143	7.141	99.25
Algeria 27th Jun1	7.143	7.141	99.25
Algeria 28th Jun1	7.143	7.141	99.25
Algeria 29th Jun1	7.143	7.141	99.25
Algeria 30th Jun1	7.143	7.141	99.25
Algeria 31st Jun1	7.143	7.141	99.25
Algeria 32nd Jun1	7.143	7.141	99.25
Algeria 33rd Jun1	7.143	7.141	99.25
Algeria 34th Jun1	7.143	7.141	99.25
Algeria 35th Jun1	7.143	7.141	99.25
Algeria 36th Jun1	7.143	7.141	99.25
Algeria 37th Jun1	7.143	7.141	99.25
Algeria 38th Jun1	7.143	7.141	99.25
Algeria 39th Jun1	7.143	7.141	99.25
Algeria 40th Jun1	7.143	7.141	99.25
Algeria 41st Jun1	7.143	7.141	99.25
Algeria 42nd Jun1	7.143	7.141	99.25
Algeria 43rd Jun1	7.143	7.141	99.25
Algeria 44th Jun1	7.143	7.141	99.25
Algeria 45th Jun1	7.143	7.141	99.25
Algeria 46th Jun1	7.143	7.141	99.25
Algeria 47th Jun1	7.143	7.141	99.25
Algeria 48th Jun1	7.143	7.141	99.25
Algeria 49th Jun1	7.143	7.141	99.25
Algeria 50th Jun1	7.143	7.141	99.25
Algeria 51st Jun1	7.143	7.141	99.25
Algeria 52nd Jun1	7.143	7.141	99.25
Algeria 53rd Jun1	7.143	7.141	99.25
Algeria 54th Jun1	7.143	7.141	99.25
Algeria 55th Jun1	7.143	7.141	99.25
Algeria 56th Jun1	7.143	7.141	99.25
Algeria 57th Jun1	7.143	7.141	99.25
Algeria 58th Jun1	7.143	7.141	99.25
Algeria 59th Jun1	7.143	7.141	99.25
Algeria 60th Jun1	7.143	7.141	99.25
Algeria 61st Jun1	7.143	7.141	99.25
Algeria 62nd Jun1	7.143	7.141	99.25
Algeria 63rd Jun1	7.143	7.141	99.25
Algeria 64th Jun1	7.143	7.141	99.25
Algeria 65th Jun1	7.143	7.141	99.25
Algeria 66th Jun1	7.143	7.141	99.25
Algeria 67th Jun1	7.143	7.141	99.25
Algeria 68th Jun1	7.143	7.141	99.25
Algeria 69th Jun1	7.143	7.141	99.25
Algeria 70th Jun1	7.143	7.141	99.25
Algeria 71st Jun1	7.143	7.141	99.25
Algeria 72nd Jun1	7.143	7.141	99.25
Algeria 73rd Jun1	7.143	7.141	99.25
Algeria 74th Jun1	7.143	7.141	99.25
Algeria 75th Jun1	7.143	7.141	99.25
Algeria 76th Jun1	7.143	7.141	99.25
Algeria 77th Jun1	7.143	7.141	99.25
Algeria 78th Jun1	7.143	7.141	99.25
Algeria 79th Jun1	7.143	7.141	99.25
Algeria 80th Jun1	7.143	7.141	99.25
Algeria 81st Jun1	7.143	7.141	99.25
Algeria 82nd Jun1	7.143	7.141	99.25
Algeria 83rd Jun1	7.143	7.141	99.25
Algeria 84th Jun1	7.143	7.141	99.25
Algeria 85th Jun1	7.143	7.141	99.25
Algeria 86th Jun1	7.143	7.141	99.25
Algeria 87th Jun1	7.143	7.141	99.25
Algeria 88th Jun1	7.143	7.141	99.25
Algeria 89th Jun1	7.143	7.141	99.25
Algeria 90th Jun1	7.143	7.141	99.25
Algeria 91st Jun1	7.143	7.141	99.25
Algeria 92nd Jun1	7.143	7.141	99.25
Algeria 93rd Jun1	7.143	7.141	99.25
Algeria 94th Jun1	7.143	7.141	99.25
Algeria 95th Jun1	7.143	7.141	99.25
Algeria 96th Jun1	7.143	7.141	99.25
Algeria 97th Jun1	7.143	7.141	99.25
Algeria 98th Jun1	7.143	7.141	99.25
Algeria 99th Jun1	7.143	7.141	99.25
Algeria 100th Jun1	7.143	7.141	99.25

Algeria Phoenix Jun1	7.143	7.141	99.25
Algeria 1st Jun1	7.143	7.141	99.25
Algeria 2nd Jun1	7.143	7.141	99.25
Algeria 3rd Jun1	7.143	7.141	99.25
Algeria 4th Jun1	7.143	7.141	99.25
Algeria 5th Jun1	7.143	7.141	99.25
Algeria 6th Jun1	7.143	7.141	99.25
Algeria 7th Jun1	7.143	7.141	99.25
Algeria 8th Jun1	7.143	7.141	99.25
Algeria 9th Jun1	7.143	7.141	99.25
Algeria 10th Jun1	7.143	7.141	99.25
Algeria 11th Jun1	7.143	7.141	99.25
Algeria 12th Jun1	7.143	7.141	99.25
Algeria 13th Jun1	7.143	7.141	99.25
Algeria 14th Jun1	7.143	7.141	99.25
Algeria 15th Jun1	7.143	7.141	99.25
Algeria 16th Jun1	7.143	7.141	99.25
Algeria 17th Jun1	7.143	7.141	99.25
Algeria 18th Jun1	7.143	7.141	99.25
Algeria 19th Jun1	7.143	7.141	99.25
Algeria 20th Jun1	7.143	7.141	99.25
Algeria 21st Jun1	7.143	7.141	99.25
Algeria 22nd Jun1	7.143	7.141	99.25
Algeria 23rd Jun1	7.143	7.141	99.25
Algeria 24th Jun1	7.143	7.141	99.25
Algeria 25th Jun1	7.143	7.141	99.25
Algeria 26th Jun1	7.143	7.141	99.25
Algeria 27th Jun1	7.143	7.141	99.25
Algeria 28th Jun1	7.143	7.141	99.25
Algeria 29th Jun1	7.143	7.141	99.25
Algeria 30th Jun1	7.143	7.141	99.25
Algeria 31st Jun1	7.143	7.141	99.25
Algeria 32nd Jun1	7.143	7.141	99.25
Algeria 33rd Jun1	7.143	7.141	99.25
Algeria 34th Jun1	7.143	7.141	99.25
Algeria 35th Jun1	7.143	7.141	99.25
Algeria 36th Jun1	7.143	7.141	99.25
Algeria 37th Jun1	7.143	7.141	99.25
Algeria 38th Jun1	7.143	7.141	99.25
Algeria 39th Jun1	7.143	7.141	99.25
Algeria 4			

Deutsche Marks

Japan		Compos		Neart	Art	Arbit
Aus/Fin		22:40	22:50	18:50		
Bk Greece/Fr/US (Dm)		22:40	22:50	18:50		
Can/Fin		22:40	22:50	18:50		
Sw/Fin/US (Dm)		22:40	22:50	18:50		
Compos/Fin/US (Dm)		22:40	22:50	18:50		
Can/France/Kent/4		22:40	22:50	18:50		
Cdc/US		22:40	22:50	18:50		
Network/Arbit		22:40	22:50	18:50		
Ches/Fin/US (Dm)		22:40	22:50	18:50		
US (Dm) 2/4		22:40	22:50	18:50		
Irland/US 2/4		22:40	22:50	18:50		
Edinburgh (Dm)		22:40	22:50	18:50		
Jo/Arbit/Fin (Dm)		22:40	22:50	18:50		
Sweden/Fin (Dm)		22:40	22:50	18:50		

Japanese Yen

Japan		Compos		Neart	Art	Arbit
Can/Fin		22:40	22:50	18:50		
US (Dm) 2/4		22:40	22:50	18:50		
Jo/Arbit/Fin (Dm)		22:40	22:50	18:50		
Sweden/Fin (Dm)		22:40	22:50	18:50		

E.C.U.

Japan		Compos		Neart	Art	Arbit
Can/Fin		22:40	22:50	18:50		
US (Dm) 2/4		22:40	22:50	18:50		
Jo/Arbit/Fin (Dm)		22:40	22:50	18:50		
Sweden/Fin (Dm)		22:40	22:50	18:50		

Japanese Yen

Issued/Inst.
 Cnl 97 Yen
 Cr Forster Aug 97 Yen
 Coupon Next Bid Askd
 4% 22-70 92.98 100.00
 27-02 90 9.00100.00
E.C.U.

Source: Credit Suisse-First Boston Ltd., London

Emergency Talks

255	14%	17%	17%	15%
256	14%	18%	17%	15%
257	29%	28%	19%	24%
258	10%	10%	24%	14%
259	12%	14%	14%	14%
260	12%	13%	14%	14%
261	12%	13%	14%	14%
262	52%	52%	52%	52%
263	34%	34%	34%	34%
264	34%	34%	34%	34%
265	47%	47%	47%	47%
266	47%	47%	47%	47%
267	22%	22%	22%	22%
268				
269				
270				
271				
272				
273				
274				
275				
276				
277				
278				
279				
280				
281				
282				
283				
284				
285				
286				
287				
288				
289				
290				
291				
292				
293				
294				
295				
296				
297				
298				
299				
300				
301				
302				
303				
304				
305				
306				
307				
308				
309				
310				
311				
312				
313				
314				
315				
316				
317				
318				
319				
320				
321				
322				
323				
324				
325				
326				
327				
328				
329				
330				
331				
332				
333				
334				
335				
336				
337				
338				
339				
340				
341				
342				
343				
344				
345				
346				
347				
348				
349				
350				
351				
352				
353				
354				
355				
356				
357				
358				
359				
360				
361				
362				
363				
36				

